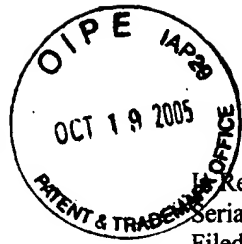


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3629
#



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Re the Application of: Ogram

Serial #: 09/654,339

Filed: 09/08/2000

For: METHOD OF PROCESSING PAYMENT ...

Docket No.

1475B.5A.5

Examiner:

Ruhl, Dennis William

Group:

3629

APPEAL BRIEF

37 C.F.R. 1.192, MPEP 1206

Honorable Commissioner of Patents and Trademarks

P.O. Box 1450

Alexandria, VA 22313-1450

Sir:

The following brief is filed in conjunction with the Notice of Appeal filed on _____ (copy by Appendix).

FEES (37 CFR 1.17(B)(2))

Enclosed is check number 4339 for the amount of \$ 250.00 As computed below:

Appeal Brief	<u>\$ 250.00</u>
(X) Small Entity: \$250.00	
() Not Small Entity: \$ 500.00	
Oral Hearing	<u>\$ 0.00</u>
(X) Small Entity: \$500.00	
() Not Small Entity: \$ 1,000.00	
TOTAL	<u>\$ 250.00</u>

REAL PARTY OF INTEREST

The real party of interest in this appeal is Net MoneyIN Inc. , an Arizona Corporation, as evidenced by the assignment recorded on reel/frame 011070/0808.

RELATED APPEALS AND INTERFERENCES

There are no other pending appeals or interferences on this application.

10/20/2005 HLE333 00000089 09654339

01 FC:2402

250.00 0P

STATUS OF CLAIMS

Claims 1-13 are the subject of this appeal. The examiner rejected (Final) claims 1-13 on June 9, 2005: hence, the claims on this appeal stand as:

Claim 1	rejected June 9, 2005; (independent)
Claim 2	rejected June 9, 2005; (dependent on claim 1)
Claim 3	rejected June 9, 2005; (dependent on claim 2)
Claim 4	rejected June 9, 2005; (dependent on claim 1)
Claim 5	rejected June 9, 2005; (dependent on claim 4)
Claim 6	rejected June 9, 2005; (independent)
Claim 7	rejected June 9, 2005; (dependent on claim 6)
Claim 8	rejected June 9, 2005; (dependent on claim 7)
Claim 9	rejected June 9, 2005; (dependent on claim 6)
Claim 10	rejected June 9, 2005; (dependent on claim 9)
Claim 11	rejected June 9, 2005; (independent)
Claim 12	rejected June 9, 2005; (dependent on claim 11)
Claim 13	rejected June 9, 2005; (dependent on claim 12)

STATUS OF AMENDMENTS

There are no outstanding amendments. The last Office Action was dated 08/15/2005 and was made "Final".

HISTORY

The present application is a continuation of United States Patent application serial number 09/400,724, filed on September 21, 1999, and entitled "Financial System of Computers", which was a continuation of United States Patent application serial number 09/166,749, filed on October 5, 1998, and entitled "Financial System of Computers", now United States Patent number 5,963,917, which was a continuation of United States Patent application serial number 08/597,017, entitled "An Improved Financial Transactions System" filed on February 5, 1996, now United States Patent number 5,822,737, issued on October 13, 1998.

The salient points of the prosecution history of the present application are:

Application Filed 09/08/2000

Office Action dated 1/15/2002	Examiner Cosimano rejected the claims under the judicially created doctrine of double patenting and rejected claims 1-14 (35 USC 102(a) (b) and (e) citing Chasek, Gorog, Teicher, Rosen, Chelliah, Payne (5,715,314 and 5,909,492), Gifford, Manasse, or Sirbu.
-------------------------------	--

Response Filed 3/22/2002	Terminal Disclaimers were filed to address the judicially created doctrine of double patenting. Changes made to independent claims 1, 6, and 11 showing that the "account data" and the "amount data" originate from different locations.
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Office Action dated 03/04/2003	Examiner Cosimano rejected claims 1-13 (35 USC 103(a)) citing the Communications Week article
--------------------------------	---

Proposed Claim FAXed to Examiner 4/21/2003

Response Filed 5/20/2003

Independent claims 1, 6, and 11 amended to include "automatic" operations. Arguments made relative to Communications Week article.

Office Action dated 07/10/2003

Examiner Cosimano rejected claims 1-13 (35 U.S.C. 103(a)) citing the Communications Week article.

Response Filed 7/30/03

After phone interviews, independent claims 1, 6, and 11 amended to include the method of checking the account and amount data to see if authorized and re-connecting a customer computer to a merchant computer.

Office Action dated 06/09/2005

Examiner Ruhl rejects claims 1-5 (35 USC 112, first paragraph) as adding a limitation not within the specification and claims 1-13 (35 USC 103(e)) citing the Payne patent. This Office Action was made FINAL.

SUMMARY OF THE INVENTION

The invention of the present application relates to a method operating a financial processor to automatically connect a customer computer to a merchant computer. The process of the preferred embodiment is shown best in figure 4B which illustrates the process of determining if the credit card payment is authorized or not, and then connecting the customer's computer to the merchant ("Return to Authorized URL 44P")

"The customer computer is then connected to the authorized URL 44P and the connection with the customer computer is terminated 44Q allowing the program to stop 43C." (Application, page 17, lines 2-4)

The independent claims of this appeal illustrate this inventive attribute:

1 1. A method of operating a computer on a network, without human
2 intervention, comprising the steps of:

3 a) automatically receiving customer account data originating from a
4 customer computer and amount data from a merchant computer via said network;

5 b) based upon said account data and said amount data, automatically
6 establishing an authorization indicia; and,

7 c) based upon said authorization indicia, connecting said customer
8 computer to said merchant computer. (Claim 1, underlines added)

1 6. A method of processing a payment order over a network comprising the
2 steps of:

3 a) receiving customer account data and amount data via said network;

4 b) based upon said account data and said amount data, establishing an
5 authorization indicia; and,

6 c) based upon said authorization indicia, connecting a customer computer
7 to a merchant computer via said network. (Claim 6, underline added)

1 11. An Internet payment processing method comprising the steps of:

2 a) automatically receiving customer account data originating from a
3 customer computer and amount data from a merchant computer via said Internet;

4 b) based upon said account data and said amount data, automatically
5 establishing an authorization indicia indicative of payment compliance; and,

6 c) based upon said authorization indicia, connecting said customer
7 computer to said merchant computer. (Claim 11, underline added)

ISSUES

A single fact must be determined, and this fact relates to both 35 U.S.C. 102 and 35 U.S.C. 103:

Does Payne ('314) teach the re-connection of the customer computer to the merchant computer in a post-authorization step?

ARGUMENT

35 U.S.C. 102(E) Citing Payne '314 issue: Examiner Ruhl relies upon the following passage as support for the contention that the customer is automatically re-connected with the merchant within Payne ('314):

“The payment computer then sends a redirect to access URL to the buyer computer (step 90) which sends the access URL to the merchant computer (step 92). The merchant computer verifies whether the access URL authenticator was created from the contents of the access URL using the cryptographic key (step 94). If not, the merchant computer sends a document to the buyer computer indicating that access to the product is denied (step 96)” (Payne '314 col. 7, lines 31-39, underline added)

Payne is a very simple concept as it attempts to accomplish a single objective, to provide a mechanism which allows the merchant to receive an order which is not forgable.

"The invention provides a simple design architecture for the network sales system that allows the merchant computer to respond to payment orders from the buyer computer without the merchant computer having to communicate directly with the payment computer to ensure that the user is authorized to purchase the product and without the merchant computer having to store information in a database regarding which buyers are authorized to purchase which products." (Payne, '314, col. 2, lines 3-11)

This objective of Payne is accomplished using an "access message" which serves as a ticket or receipt for the product:

"... when the merchant computer receives an access message from the buyer computer identifying a product to be purchased, the merchant computer need only check the access message to ensure that it was created by the payment computer." (Payne, '314, col. 2, lines 11-15)

The "access message" is sent by the customer to the merchant as a "ticket" or "receipt" for the product that is to be delivered.

While Payne does use the term URL (universal resource locator), the use of the term URL is not intended to mean a "linkage" or "connection", rather, URL is used only as a reference to identify the product which is sought:

"The user browses through the advertising document and eventually requests a product (step 32). This results in the buyer computer sending payment URL A to the payment computer (step 34). Payment URL A includes a product identifier that represents the product the user wishes to buy." (Payne, '314, col. 5, lines 27-29)

Note, the "Payment URL" is not a linkage identifier between the customer and the payment computer, it is rather "... a product identifier..."

In like fashion, the payment computer and the merchant computer utilize a "payment URL authenticator" to identify the product being sought and how long the product is to be made available to the customer:

"The payment URL authenticator is a has of other information in the payment URL, the has being defined by a key shared by the merchant and the operator or the payment computer." (Payne, '314, col. 5, lines 44-46)

Examiner Ruhl failed to properly read the referenced section of Payne. Payne '314 does not indicate that the "buyer computer" is reconnected to the "merchant computer" by the "payment computer"! Rather, the passage clearly states that

"... the buyer computer ... sends the URL to the merchant computer..." (Payne '314, Col. 7, lines 32-33; underline added)

A re-connection is not sent, it is done. A re-connection is not even contemplated; Payne clearly is passing messages and not re-connecting, otherwise, why would Payne include such items as (Payne '314, col. 5, lines 23-42):

"...a product identifier that represents a product the user wishes to buy.." (a re-connection doesn't need to know the product)

"...a domain identifier that represent a domain of products to which the desired product belongs..." (why would this be used in a re-connection?)

"... a payment amount that represents the price of the product..." (The pricing of the product is not important if there is to be a re-connection)

“...a merchant computer identifier that represents merchant computer 14 ...” (If the URL was a re-connection link, then this information is already in the URL)

“... a merchant account identifier that represents the particular merchant account to be credited with the payment amount...” (re-connection has nothing to do with the merchant’s bank account)

“... a duration time that represents the length of time for which access to the product is to be granted to the user after completion of the purchase transaction...” (not used for any type of re-connection or linkage process)

“...an expiration time that represents a deadline beyond which this particular payment URL cannot be used...” (the use of an expiration is not germane to any type of re-connection or linkage)

“... a payment URL authenticator that is a digital signature based on a cryptographic key...” (why would a re-connection need a cryptographic key?)

While none of these elements of the Payment URL are usable or required in any sort of re-connection/linkage, they all have a business purpose of serving to assist the merchant in making sure the proper product is delivered during the proper time frame to the proper customer.

The connection with the “merchant computer” is initiated and made by the “buyer computer”; and, why is this done, because the “access URL” is not a re-connection between the two computer but rather a “pass” or “ticket” which is used repeatedly by the “buyer computer” and is passed to the “merchant computer” similar to the use of bus pass in the real world. Simply look at the contents of “access URL”:

“... the payment computer creates an access URL (step 80) that includes a merchant computer identifier, a domain identifier, a product identifier, an indication of the end of the duration time for which access to the product is to be granted, the buyer network address, and an access URL authenticator that is a digital signature based on a cryptographic key.” (Payne, ‘314, Col. 7, lines 19-25, underline added)

Payne is a “ticket” or “receipt” :

“This is done because the buyer computer can request access to a purchased product repeatedly.” (Payne ‘314, col. 7, lines 42-43)

At each use by the “buyer computer” to gain access to the product, access to the “payment computer” is not required; hence, the “access URL” is simply a “ticket”, not a re-connection as the present invention clearly claims in the independent claims.

Even in the alternative embodiment discussed in Payne, (where the “Merchant Computer” interacts with the “Payment Computer”, the “Payment Computer” simply provides:

“... the payment computer sends a payment confirmation document to the buyer computer, the payment confirmation document including an “open” link and a “continue” link (step 44).” (Payne ‘314, col. 6, lines 5-8)

A full analysis of Payne on this point was provided by Examiner Cosimano when he said:

“(A) the prior art, for example, either Payne et al (5,715,314 or 5,909,492) disclose a payment/settlement system in which an user at a consumer computer communicates via a computer network with a merchant computer. When the user wishes to purchase an item, the consumer computer communicates payment information for user’s order to a remotely located payment processing center via the network. The payment processing center then requests an authorization indicia from a financial processing computer. Once the payment processing computer receives the authorization indicia, the payment processing computer sends an indication of the authorization to the merchant. Once the indication

of the authorization has been received by the merchant, the merchant releases the ordered items to the customer based on the procedure established by the terms of the transaction.

B) however in regard to claims 1, 5, 9 & 12, the prior art does not teach or suggest that the remote authorization computer would connect the customer computer to a selected site in the merchant computer in response to the authorization indicia." (USPTO Serial No. 10/055,247, Office Action dated 1/21/2004, page 4, lines 13-26, underline added)

Clearly, the claims cannot be anticipated by Payne as Payne teaches the use of a ticket that can be used repeatedly and is "handed in" by the customer, not by the processing computer.

The next question that must be addressed is if Payne is able to teach or suggest the claims to one of ordinary skill in the art.

First, Payne is completely silent as to any control on the re-connection; Second, Payne's function is to create a "ticket" so that access can be granted.

The concept of re-connecting the "buyer" and the "merchant" computers is alien to Payne. Even in the alternative embodiment discussed in Payne, (where the "Merchant Computer" interacts with the "Payment Computer", the "Payment Computer" simply provides:

"... the payment computer sends a payment confirmation document to the buyer computer, the payment confirmation document including an "open" link and a "continue" link (step 44)." (Payne '314, col. 6, lines 5-8)

The present invention provides not only an automated initial re-entry into the merchant's site (claims 1 and 7) but also provided for successive "visits" by the "buyer"/customer through the use of a password (claims 2 and 9) which Payne is incapable of teaching or suggesting.

The teachings of Payne are directed solely to the creation of a ticket; no automatic re-connections are possible. One of ordinary skill in the art would not abandon the "ticket" teachings to arrive at the present claims.

PRAYERS FOR RELIEF

It is respectfully requested that claims 1-13 be allowed and advanced to issuance.


REQUEST FOR ORAL HEARING:

An oral hearing is not requested.

APPENDIX LIST

- (1) Notice of Appeal
- (2) Claims on Appeal
- (3) Office Action dated 01/15/2002
- (4) Response of 03/22/2002 to Office Action dated 01/15/2002
- (5) Office Action dated 03/04/2003
- (6) Proposed claim FAX of 4/21/2003
- (7) Response of 5/20/2003 to Office Action dated 03/04/2003
- (8) Office Action of 7/10/2003
- (9) Response of 7/30/03 to Office Action dated 7/10/2003
- (10) Office Action of 06/09/2005
- (11) Copy of Application as Filed together with Filing Receipt
- (12) United States Patent number 5,715,314, issued to Payne on February 3, 1998

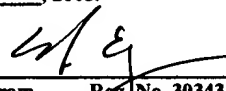
Respectfully Submitted,


Mark E. Ogram
Attorney at Law
Reg. No. 30343

Date: OCT. 17 2005

CERTIFICATE OF MAILING (37 CFR 1.8)

I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail in an envelope addressed to: Commissioner of Patents and Trademarks, P.O. Box 1450, Alexandria, VA. 22313-1450, on OCT. 17 2005, 2005.


Mark E. Ogram Reg. No. 30343

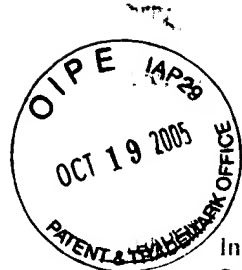
10/17/2005
Date

EVIDENCE APPENDIX

None

RELATED PROCEEDINGS APPENDIX

None



Attachment 1

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In Re the Application of: Ogram
Serial #: 09/654,339
Filed: 09/08/2000
For: METHOD OF PROCESSING PAYMENT ON A NETWORK OF COMPUTER...

Docket No.: 1475B.5A.5
Examiner: Ruhl, Dennis William
Group 3629

NOTICE OF APPEAL FROM THE EXAMINER
TO THE BOARD OF PATENT APPEALS AND INTERFERENCES
35 U.S.C. 134 (MPEP 1205)

Honorable Commissioner of Patents and Trademarks
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

Applicant hereby appeals to the Board of Patent Appeals and Interferences from the decision of the examiner dated 06/09/2005 rejecting the following claims: 1-13.

FEE:

The fee for this Notice of Appeal is computed as follows and is paid by check number 4324:

Notice of Appeal (37 CFR 1.17(b)(1)) \$ 250.00
(X) Small Entity \$ 250.00
() Not a Small Entity \$ 500.00

SMALL ENTITY:

A verified statement of small entity status under 37 CFR 1.27:

() Is enclosed
(X) Has already been filed in this application

APPEALED CLAIMS:

The claims which are presented in this appeal are: 1-13.

SIGNATURE:

The undersigned is:

() Applicant () Assignee of the entire interest (X) Attorney of Record

Respectfully Submitted,

Mark E. Ogram
Mark E. Ogram
Attorney at Law
Reg. No. 30343

Date: 8/23/05

CERTIFICATE OF MAILING (37 CFR 1.8)

I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail in an envelope addressed to: Commissioner of Patents and Trademarks, P.O. Box 1450, Alexandria, VA 22313-1450, on August 23, 2005.

Mark Ogram
Mark Ogram (reg. No. 30343)

Date: August 23 2005

1 1. A method of operating a computer on a network, without human
2 intervention, comprising the steps of:
3 a) automatically receiving customer account data originating from a
4 customer computer and amount data from a merchant computer via said network;
5 b) based upon said account data and said amount data, automatically
6 establishing an authorization indicia; and,
7 c) based upon said authorization indicia, connecting said customer
8 computer to said merchant computer.

1 2. The method according to claim 1, further including the step of
2 communicating a password to said customer computer.

1 3. The method according to claim 2, wherein the step of communicating a
2 password includes the step of sending the password via said network.

1 4. The method according to claim 1, wherein the step of establishing an
2 authorization indicia includes the step of communicating said account data and
3 amount data via a phone network.

1 5. The method according to claim 4, wherein the step of establishing an
2 authorization indicia includes the step of receiving an acceptance indicia via
3 said phone network.

1 6. A method of processing a payment order over a network comprising the
2 steps of:

3 a) receiving customer account data and amount data via said network;

4 b) based upon said account data and said amount data, establishing an
5 authorization indicia; and,

6 c) based upon said authorization indicia, connecting a customer computer
7 to a merchant computer via said network.

1 7. The method according to claim 6, further including the step of
2 communicating a password to said customer computer.

1 8. The method according to claim 7, wherein the step of communicating a
2 password includes the step of sending the password via said network.

1 9. The method according to claim 6, wherein the step of establishing an
2 authorization indicia includes the step of communicating said account data and
3 amount data via a phone network.

1 10. The method according to claim 9, wherein the step of establishing an
2 authorization indicia includes the step of receiving an acceptance indicia via
3 said phone network.

1 11. An Internet payment processing method comprising the steps of:

2 a) automatically receiving customer account data originating from a
3 customer computer and amount data from a merchant computer via said Internet;

4 b) based upon said account data and said amount data, automatically
5 establishing an authorization indicia indicative of payment compliance; and,

6 c) based upon said authorization indicia, connecting said customer
7 computer to said merchant computer.

1 12. The method according to claim 11, further including the step of
2 communicating a password to said customer computer.

1 13. The method according to claim 12, wherein the step of communicating
2 a password includes the step of sending the password via said Internet.

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UNITED STATES PATENT AND TRADEMARK OFFICE

Attachment 3

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER OF PATENTS AND TRADEMARKS
Washington, D.C. 20231
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/654,339	09/08/2000	Mark E. Ogram	1475B.SA.5	8051

7590 01/15/2002
Mark E Ogram
8040 S Kolb Road
Tucson, AZ 85706

EXAMINER

COSIMANO, EDWARD R

ART UNIT PAPER NUMBER

2161

DATE MAILED: 01/15/2002

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/654,339

Applicant(s)

OGRAM, MARK E.

Examiner

Edward R. Cosimano

Art Unit

2161

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 08 September 2000.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-14 is/are pending in the application.
- 4a) Of the above claim(s) none is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-14 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☒ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on _____ is: a) ☐ approved b) ☐ disapproved by the Examiner.
- If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
- a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☒ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449) Paper No(s) 2.
- 4) ☐ Interview Summary (PTO-413) Paper No(s): _____
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other:

Art Unit: 2161

1. Applicant should note the changes to patent practice and procedure:

A) effective December 01, 1997 as published in the Federal Register, Vol 62, No. 197, Friday October 10, 1997; and

B) effective November 07, 2000 as published in the Federal Register, Vol 65, No. 54603, September 08, 2000.

2. The Abstract of the Disclosure is objected to because:

(1) applicant's use of a "□" at lines 4 & 7 of the abstract, "A method of operating ... the customer□s account ... the merchant□s computer) on the network.", is confusing..

Correction is required. See M.P.E.P. § 608.01(b).

3. The disclosure is objected to because of the following informalities:

A) applicant must update:

(1) the continuing data on page 1;

with the current status of each of the referenced applications, e.g., --now abandoned--, or --now patent #?--, or --which is abandoned and now serial number #?--, etc.

B) the following errors have been noted in the specification:

(1) applicant's use of a "□" in the paragraph at page 1, lines 2-9, "This is a continuation of ... entitled □Financial ... Computers□ ... entitled □Financial ... Computers□ ... entitled □An ... System□ ... on October 13, 1998.", is confusing.

(2) applicant's use of a "□" in the paragraph at page 16, lines 4-9, "A determination, based ... is a □service□, ... skis to step 44P.", is confusing.

(3) applicant's use of the word "skis" at line 6 of the paragraph at page 16, lines 4-9, "A determination, based ... skis to step 44P.", is confusing. As can be seen in fig. 4B and from the context of this paragraph at line 6 "skis" should be -skips--.

C) The disclosure is objected to because it contains an embedded hyperlink and/or other form of browser-executable code. Applicant is required to delete the

Art Unit: 2161

embedded hyperlink and/or other form of browser-executable code. See MPEP § 608.01.

(1) applicant's use of web address in:

(a) the paragraph bridging pages 5 & 6, "By selective use of ...
<http://merchant.com/widget.>"; and

(b) the paragraph at page 6, lines 2-5, "When the merchant ...
<http://merchant.com/widget/blue.>";

is improper, since:

(a) in electronic versions of the patent grant this address would
create an improper hyper link to the specified address; and

(b) the content of the specified web address may change over time
and, hence, would add new matter and/or alter the content/teachings of
the instant disclosure over time.

Hence, applicant should delete the <http://> from page 6, lines 1 & 5.

Appropriate correction is required.

4. The specification and drawings have not been checked to the extent necessary to determine the presence of all possible minor errors. Applicant's cooperation is requested in correcting any errors of which applicant may become aware in the specification or drawings. Applicant should note the requirements of 37 CFR § 1.74, § 1.75, § 1.84(o,p(5)), § 1.121(a)-1.121(f) & § 1.121(g)-1.121(h).

5. Claims 1-14 are provisionally rejected under the judicially created doctrine of double patenting over claims 1-10 of copending Application No. 09/400,724. This is a provisional double patenting rejection since the conflicting claims have not yet been patented.

5.1 Claims 1-14 are provisionally rejected under the judicially created doctrine of double patenting over claims 1-4 & 13-15 of copending Application No. 09/657,277. This is a provisional double patenting rejection since the conflicting claims have not yet been patented.

5.2 Claims 1-14 are rejected under the judicially created doctrine of double patenting over claims 1-26 of U. S. Patent No. 5,822,737 since the claims, if allowed, would improperly extend the "right to exclude" already granted in the patent.

Art Unit: 2161

5.3 Claims 1-14 are rejected under the judicially created doctrine of double patenting over claims 1-7 of U. S. Patent No. 5,963,917 since the claims, if allowed, would improperly extend the "right to exclude" already granted in the patent.

5.4 The subject matter claimed in the instant application is fully disclosed in the referenced patents and copending applications and would be covered by the referenced patents or any patent granted on either of the copending applications since the referenced patents and copending applications and the instant application are claiming common subject matter, as follows:

A) a payment processing system which accepts customer account and amount data over a communications network from a remote computer;

B) processes the customer account and amount data to create an authorization indicia; and

C) returning an indication of the authorization indicia to the remote computer.

5.5 Furthermore, there is no apparent reason why applicant would be prevented from presenting claims corresponding to those of the instant application in the other copending application. See *In re Schneller*, 397 F.2d 350, 158 USPQ 210 (CCPA 1968). See also MPEP § 804.

5.6 The nonstatutory double patenting rejection is based on a judicially created doctrine grounded in public policy (a policy reflected in the statute) so as to prevent the unjustified or improper timewise extension of the "right to exclude" granted by a patent and to prevent possible harassment by multiple assignees. See *In re Goodman*, 11 F.3d 1046, 29 USPQ2d 2010 (Fed. Cir. 1993); *In re Longi*, 759 F.2d 887, 225 USPQ 645 (Fed. Cir. 1985); *In re Van Ornum*, 686 F.2d 937, 214 USPQ 761 (CCPA 1982); *In re Vogel*, 422 F.2d 438, 164 USPQ 619 (CCPA 1970); and, *In re Thorington*, 418 F.2d 528, 163 USPQ 644 (CCPA 1969).

5.7 A timely filed terminal disclaimer in compliance with 37 CFR 1.321(c) may be used to overcome an actual or provisional rejection based on a nonstatutory double patenting ground provided the conflicting application or patent is shown to be commonly owned with this application. See 37 CFR 1.130(b).

Art Unit: 2161

5.8 Effective January 1, 1994, a registered attorney or agent of record may sign a terminal disclaimer. A terminal disclaimer signed by the assignee must fully comply with 37 CFR 3.73(b).

6. The following is a quotation of the appropriate paragraphs of 35 U.S.C. § 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless --

(a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for a patent.

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.

(102(e) only) The changes made to 35 U.S.C. § 102(e) by the American Inventors Protection Act of 1999 (AIPA) do not apply to the examination of this application as the application being examined was not (1) filed on or after November 29, 2000, or (2) voluntarily published under 35 U.S.C. § 122(b). Therefore, this application is examined under 35 U.S.C. § 102(e) prior to the amendment by the AIPA (pre-AIPA 35 U.S.C. § 102(e)).

6.1 Claims 1-14 are rejected under 35 U.S.C. § 102(a) as being clearly anticipated by Chasek (5,420,405).

6.2 Claims 1-14 are rejected under 35 U.S.C. § 102(b) as being clearly anticipated by either Gorog (4,947,028) or Teicher (5,206,488).

6.3 Claims 1-14 are rejected under 35 U.S.C. § 102(e) as being clearly anticipated by either Rosen (5,557,518 or 5,671,280 or 5,703,949 or 5,878,139) or Chelliah et al

Art Unit: 2161

(5,710,887) or Payne et al (5,715,314 or 5,909,492) or Gifford (5,742,424) or Manasse (5,802,497) or Sirbu et al (5,809,144).

6.4 In regard to claims 1-14, any one of Gorog ('028) or Teicher ('488) or Chasek ('405) or Rosen ('518 or '280 or '949 or '139) or Chelliah et al ('887) or Payne et al ('314 or '492) or Gifford ('424) or Manasse ('497) or Sirbu et al ('144) disclose a remote purchasing system in which accept customer's account, i.e. checking/debit/credit number, and amount data over a communications network from authorized customer at a remote computer, processes the customer account and amount data to create an authorization indicia, and returns an indication of the authorization indicia to the remote computer.

6.4.1 It is noted that:

A) the internet and a telephone network are both communications networks.

B) a customer's password is used as part of a common method of determining if a customer is authorized.

7. The examiner has cited prior art of interest, for example:

A) Watanabe et al (5,352,876) which disclose a payment processing system which accepts customer's account and amount data over a communications network from a remote computer, processes the customer account and amount data to settle the transaction.

B) either the New Zealand Herald article or Stuck or Fujioka (JP 11-053444) or the BusinessWorld article or Rowney et al (5,987,140) or Synesiou et al (5,959,549) or Mann et al (6,119,096) which disclose a payment processing system which accepts customer's account and amount data over a communications network from a remote computer, processes the customer account and amount data to create an authorization indicia, and returns an indication of the authorization indicia to the remote computer.


8. The prior art cited in parent applications Serial No. 08/597,017 filed February 05, 1996 and Serial No. 09/166,749 filed October 05, 1998 and serial number 09/400,724 filed September 21, 1999 has been considered by the examiner.

8.1 Prior art cited but not supplied to applicant, has been previously supplied to applicant during the prosecution of the parent applications.

Art Unit: 2161

9. The shorten statutory period of response is set to expire 3 (three) months from the mailing date of this Office action.
10. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Edward Cosimano whose telephone number is (703) 305-9783. The examiner can normally be reached Monday through Thursday from 7:30am to 6:00pm. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James P. Trammell, can be reached on (703)-305-9768. Any inquiry of a general nature or relating to the status of this application should be directed to the Group receptionist whose telephone number is (703) 305-3900.
 - 10.1 The fax phone number for UNOFFICIAL/DRAFT FAXES is (703) 746-7240.
 - 10.2 The fax phone number for OFFICIAL FAXES is (703) 746-7239.
 - 10.3 The fax phone number for AFTER FINAL FAXES is (703) 746-7238.

01/12/02


Edward R. Cosimano
Primary Examiner A.U. 2161

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In Re the Application of: Ogram

Docket No.: 1475B.5A.5

Serial #: 09/654,339

Examiner: Cosimano, E.

Filed: 09/08/2000

Group: 2161

For: METHOD OF PROCESSING PAYMENT ON A NETWORK OF COMPUTERS SUCH AS THE INTERNET

AMENDMENT A
37 C.F.R. 1.115

Honorable Commissioner of Patents and Trademarks
Washington, D.C. 20231

Sir:

Regarding the above identified patent application and responsive to the Office Action dated 01/15/2002, please make the following amendments and note the corresponding remarks.

Enclosures:

- (1) Sheets 1-25 showing the edits made to the application;
- (2) Replacement sheets 1-25 which are to replace the entirety of the originally filed application;
- (3) TERMINAL DISCLAIMER, (37 CFR 1.321(C)): co-pending application serial number 09/400,724 ;
- (4) TERMINAL DISCLAIMER, (37 CFR 1.321(C)): co-pending application serial number 09/657,277 ;
- (5) TERMINAL DISCLAIMER, (37 CFR 1.321(C)): United States Patent number 5,822,737 ;
- (6) TERMINAL DISCLAIMER, (37 CFR 1.321(C)): United States Patent number 5,963,917 ;
- (7) Check no. 3847 for the amount of \$ 220.00 ;
- (8) A Change of Address.

REMARKS

Claims 1-14 were pending before the examiner. The examiner has rejected all of the claims. By this amendment, claim 14 has been deleted, leaving claims 1-13 pending. Edits to the claims have been made to more clearly identify the invention.

It is requested that the examiner effectuate the edits indicated on the enclosed pages. The relevant Replacement pages are also enclosed. Due to changes in word processing software and font, the enclosed sheets do not match up page for page with the application as originally filed. Applicant certifies that, to the best of his ability, the enclosed pages are valid representations of the application as filed, except for changes due to the word processor and font styles.

The examiner has objected to the Disclosure noting that an errant character appears therein.

The examiner is correct in this. The enclosed sheets show the edits made to the application; the replacement sheets are clean copies thereof. No new matter has been added with these edits.

The examiner has objected to the disclosure noting several errors or updates that must be done to the filed specification.

By the edits shown in the enclosed papers, all of these errors have been corrected, including, but not limited to:

- (1) an update of the continuing data found on page 1;
- (2) correction of the errant symbols found in the first paragraph on page 1;
- (3) correction of the errant symbols found on page 16, lines 4-9;
- (4) correction of the phrase found on line 6 of page 16;
- (5) removal of the hyperlink found on pages 5 and 6;
- (6) removal of the hyperlink found on page 6.

No new matter has been added by these changes as the specification and drawings, as filed, fully support these edits.

As requested by the examiner, the specification and claims have been reviewed for additional grammatical and typographical errors. All such errors found have been corrected by this amendment.

The examiner has provisionally rejected claims 1-14 under the judicially created doctrine of double patenting over claims 1-10 of co-pending application no. 09/400,724.

Enclosed herewith is a Terminal Disclaimer relative to co-pending application, serial number 09/400,724.

This Terminal Disclaimer renders the judicially created doctrine of double patenting moot.

The examiner has provisionally rejected claims 1-14 under the judicially created doctrine of double patenting

over claims 1-4 and 13-15 of co-pending application no. 09/657,277.

Enclosed is a Terminal Disclaimer relative to co-pending application 09/657,277; this Terminal Disclaimer renders the judicially created doctrine of double patenting moot.

The examiner has rejected claims 1-14 under the judicially created doctrine of double patenting over claims 1-26 of United States Patent number 5,822,737.

Enclosed herewith is a terminal disclaimer relative to the '737 patent. This terminal disclaimer renders the judicially created doctrine of double patenting moot.

The examiner has rejected claims 1-14 under the judicially created doctrine of double patenting over claims 1-7 of United States Patent number 5,963,917.

Enclosed herewith is a terminal disclaimer relative to the '917 patent. This terminal disclaimer renders the judicially created doctrine of double patenting moot.

The examiner has rejected claims 1-14 under 35 U.S.C. 102(a) citing Chasek.

Note, independent claims 1, 6, and 11, have been amended to include the restriction that the "account data" and the "amount data" originate from two different locations.

"... receiving customer account data originating from a first remote computer and amount indicia data originating from a second remote computer ..." (Claim 1, amended, lines 3-4)

"... receiving customer account data from a first remote computer and amount data from a second remote computer ..." (Claim 6, amended, lines 3-4)

"... receiving customer account data from a first remote location and amount data from a second remote location..." (Claim 11, lines 3-4)

Contrast this with Chasek's requirements:

"This electronic money system uses as its medium-of-exchange packets of bytes that identify the personal account custodian or PAC, payer, amount of transaction, type of transaction, vendor, and provides a security

number, and national code..." (Col. 1, lines 41-46, underline added.

This requirement of Chasek clearly teaches a system where all of the information originates with the account custodian, which is identical with the established practice for credit card and other account transactions.

Chasek goes further and states:

"... The transaction packet, which is also the medium-of-exchange of this system, is created when an individual carrying personal terminal, PT 101, on their person wishes to conduct a transaction by bringing the PT in proximity with vendor terminal, VT 102." (Col. 3, line17-19)

"...Information that characterizes characterizations are periodically transferred from the vendor terminal to a vendor's account custodian..." (Col. 3, lines 23-26)

The presently claimed invention recognizes that this is not a necessary step; rather, the account information originates from one source and the amount information originates from another source. Chasek follows the tried and true procedure that a "Vendor" originates and transmits all of the information (to assure its proper entry and validity). Chasek actually teaches away from the present invention by affirming the established concepts for charging/debiting an account. The examiner's comments are correct when he notes that Chasek discloses a "remote purchasing system in which accept customer's data ... and amount data over a communications network for an authorized customer at a remote computer." (underline added)

It is clear from the forgoing that not only are claims 1-14 not anticipated by Chasek, but, further, Chasek is incapable of teaching or suggesting claims 1-14.

The examiner has rejected claims 1-14 under 35 U.S.C. 102(b) citing Gorog or Teicher.

As noted earlier, the independent claims have been amended to include the restriction that the source of information originates from two different remote sources.

Teicher confirms the established concept that the totality of the information is collected and then transferred for the debiting process:

"... at least one card reader for receiving a subscriber's card and for enabling the subscriber to open a local

account, to transfer thereto a predetermined sum from the central unit, and thereafter to order local transactions involving the sale of products or services from the local account ...” (Abstract, lines 7-10)

Teicher, repeatedly uses this process of having a single user establish an account and amount in a central repository. As noted relative to Chasek, this concept follows the traditional approach and teaches away from the power of the present invention’s claims.

Gorog only confirms this tract:

“An automated order and payment system for use by consumers to rapidly order products and services from any location at which the consumer is present at the time of ordering.” (Abstract, lines 1-4, underline added)

“...An order computer terminal (“OCT”) with means to input data ... having associated order processing software and communications capability” (Col. 2, lines 54-57)

It is clear that neither Teicher or Gorog anticipate claims 1-14 (whether taken singly or in combination), it is also clear that their teachings follow the traditional approach for payment processing and therefor cannot teach or suggest claims 1-14.

The examiner has rejected claim 1-14 under 35 U.S.C. 102(e) citing Rosen (‘518, ‘280, ‘949, or ‘139) or Chelliah.

As noted above, the independent claims have been amended to include the limitation on the source of the information used.

Rosen (‘518) follows the same defective course that the above references do:

“The trusted agents participate in a secure dialogue and mutually agree on the payment terms.” (Col 2, lines 19-20)

Rosen (‘518, as well as ‘280, ‘949, and ‘139) all require the ability of the information being created by a single entity (a “trusted agent”) that is able to communicate the information. As Rosen puts it:

“Conceptually, a trusted agent is a surrogate actor for an entity ...” (Col. 4, lines 24-25)

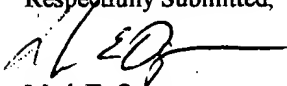
To this "mis-direction" in teaching, Chelliah is added. The examiner correctly notes, "disclose a remote purchasing system in which accepts customer's account, i.e. checking/debit/credit number and amount data over a communications network from authorized customer at a remote computer..".

None of the Rosen references, nor Chelliah (taken singly or in combination) anticipate the presently claimed invention; further, none of these references or their myriad of combinations are capable of teaching or suggesting claims 1-14.

The prior art made of record and not relied upon have been reviewed and none of these references are felt capable of curing the defects already noted.

Based upon the above, it is respectfully submitted that claims 1-13, as now amended, are allowable and should be advanced to issuance.

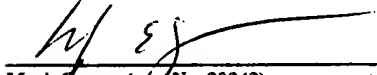
Respectfully Submitted,


Mark E. Ogram
Attorney at Law
Reg. No. 30343

Date: March 22, 2002

CERTIFICATE OF MAILING (37 CFR 1.8)

I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail in an envelope addressed to: Commissioner of Patents and Trademarks, Washington, D.C. 20231, on March 22, 2002.


Mark Ogram (reg. No. 30343)

3/22/02
Date

Amendment A Replacement Pages

A METHOD OF PROCESSING PAYMENT ON A
NETWORK OF COMPUTERS SUCH AS THE INTERNET

MoneyIN
Docket No. 1475B.5A.5

"SPEC475B.5A5"

March 22, 2002

A METHOD OF PROCESSING PAYMENT ON A
NETWORK OF COMPUTERS SUCH AS THE INTERNET

1 Background of the Invention:

2 This is a continuation of United States Patent application
3 serial number 09/400,724, filed on September 21, 1999, and
4 entitled "Financial System of Computers"; which was a continuation
5 of United States Patent application serial number 09/166,749
6 filed on October 5, 1998, and entitled "Financial System of
7 Computers", now United States Patent number 5,963,917; which was
8 a continuation of United States Patent application serial number
9 08/597,017, entitled "An Improved Financial Transactions System"
10 filed February 5, 1996, now United States Patent number
11 5,822,737, issued on October 13, 1998.

12 This invention relates generally to financial transactions
13 and more particularly to transactions involving credit or debit
14 cards.

15 The time is fast approaching where a significant amount of
16 commerce will be conducted using distributed networks of
17 computers such as the Internet. The reason this ground-swell of
18 commerce will occur is the ability of a single merchant to
19 economically reach a vast number of potential customers at

Amendment A Replacement Pages

1 substantially no costs. Further, the customers are able to
2 review a great number of vendors and their products with the ease
3 of a few key strokes and clicks of the mouse.

4 Although there are vast numbers of merchants already using
5 such networks, the sales volume has been particularly low due to
6 a variety of reasons. One reason which has depressed commerce on
7 the networks, is the difficulty with which customers can pay for
8 their purchases.

9 A variety of techniques have been developed to cure this
10 problem ranging from accepting phone orders to the establishment
11 of another currency called "E-Cash".

12 Phone orders in response to merchant promotional materials
13 creates a variety of problems. One major problem is the
14 requirements for phone lines and personnel to receive and process
15 the phone orders. Another hurdle is the simple fact that most
16 customers have a single phone line to their residence and this
17 line is used by the computer for accessing the network; the
18 customer has to disconnect from the network to make the phone
19 order.

20 Although E-Cash is a viable alternative, it is faced with
21 some enormous problems which will be difficult or impossible to
22 address. These include: counterfeiting problems; government
23 reluctance to accept the concept; difficulties in getting access
24 for handling E-Cash; and, the low number of users and merchants

Amendment A Replacement Pages

1 which can use E-Cash.

2 It is clear from the foregoing that there is a need for an
3 efficient methodology and system to accept payment over
4 distributed computer networks.

1 Summary of the Invention:

2 The present invention contemplates a totally automated
3 system for securing payment via a distributed network of
4 computers. In this context, the invention creates an automated
5 payment system particularly suited for purchases over a network
6 such as the Internet.

7 Although the present invention is described relative to the
8 Internet, its application is not so limited and is intended to be
9 used on any distributed computer system in which merchants and
10 consumers interact for the purpose of supplying and purchasing
11 goods or services.

12 In such a distributed computer network, a merchant or
13 vending computer contains certain promotional information which
14 is communicated to a customer's computer. This information is
15 intended to give the customer sufficient information to make a
16 decision on if the goods/services are acceptable.

17 As used within this discussion, the term "merchant computer"
18 signifies a computer system which is used for the purpose of
19 selling goods or services. The vendor itself does not
20 necessarily own the computer; in some situations, the computer is
21 operated on behalf of the merchant or vendor.

22 Based upon the promotional information, the
23 consumer/operator of the customer's computer decides to purchase
24 the services or goods described by the promotional information.

1 It is at this point where the present invention is
2 particularly powerful as it provides a simple, easy, methodology
3 and linkage for the customer to pay for the goods/services.

4 In this context, the customer's computer is linked to a
5 payment processing computer and the customer's credit card number
6 and the amount of the goods or services is transmitted to the
7 payment processing computer. For security reasons, an encrypting
8 software package is first downloaded to the customer's computer
9 so that the credit card number is secure from "hackers" who might
10 also be on the network.

11 Although the term "credit card" is used, the invention
12 covers the use of any type of financial guarantee card such as
13 automatic debit accounts, checking account numbers, savings
14 account numbers, and other such devices obvious to those of
15 ordinary skill in the art.

16 The payment processing computer automatically contacts a
17 bank for verification of the credit card and amount; the bank
18 transmits an authorization to the payment processing computer.
19 This authorization, usually in the form of a number, is stored
20 within the payment processing computer's memory for later
21 reference.

22 The link or connection with the bank is terminated by the
23 payment processing computer and the payment processing computer
24 turns its attention to the customer's computer. The payment

Amendment A Replacement Pages

1 processing computer communicates a self-generated transaction
2 indicia, and in some embodiments a password, to the customer's
3 computer.

4 The transaction indicia is generated by the payment
5 processing computer for proper record keeping. The transaction
6 indicia is also used by the customer to verify that an order has
7 been generated and accepted.

8 The password is defined by the merchant's computer for the
9 payment processing computer to pass along to the customer's
10 computer. The password is used by the customer's computer to
11 gain access to restricted material within the merchant's
12 computer.

13 As example, assume the merchant's computer is supplying
14 information as to genealogy. As an initial process, the customer
15 enters the name being researched and receives a preliminary
16 report on the genealogy (the promotional material). To proceed
17 though, and get the actual data, the customer must pay to access
18 this further information.

19 To do so, the customer links with the payment processing
20 computer, and in the manner outlined above, receives back the
21 transaction indicia and the password. The payment processing
22 computer links the customer computer back to the merchant
23 computer; the customer provides the password to the merchant's
24 computer and is given access to the full genealogy report.

1 As outlined in this example, in the embodiment where a
2 password is used, the customer's computer uses the password with
3 the merchant's computer in obtaining access to protected
4 information or to establish shipping instructions.

5 The re-linking of the customer computer to the merchant
6 computer is accomplished in a variety of ways. In the preferred
7 embodiment, the payment processing computer obtains the
8 merchant's address or Unique Recognition Location (URL) from the
9 customer computer when the customer connects with the payment
10 processing computer. This URL is used in a variety of ways, to
11 identify the merchant, to establish the amount of the
12 product/service, and to establish the return URL when the payment
13 processing computer is done with its task for the customer
14 computer.

15 By selective use of the URL on the merchant's part, the URL
16 transmits a tremendous amount of information to the payment
17 processing computer. As example, assume the URL for the home-
18 page of the merchant is: merchant.com/widget.

19 When the merchant is selling a single product (a widget),
20 this URL is easy to match to the product. When the merchant
21 wants to sell a variety of widgets, then for a blue widget, the
22 URL might be: merchant.com/widget/blue.

23 In some embodiments, the customer's computer is not linked
24 back to the originating URL of the Merchant computer but rather

Amendment A Replacement Pages

1 to another URL. The return URL is stored in the payment
2 processing computer and is used when the Merchant wants the
3 customer/consumer to be passed back to a different location (i.e.
4 where the restricted access information is accessible, or to
5 inform the consumer that their card has been rejected).

6 The invention, together with various embodiments thereof,
7 will be more fully explained by the accompanying drawings and the
8 following descriptions.

Drawings in Brief:

Figures 1A and 1B are block diagrams of the two computer configurations used in the preferred embodiment.

Figure 1C is a graphical representation of the preferred memory organization for the computer illustrated in figure 1A.

Figures 2A, 2B, 2C, 2D, and 2E graphically illustrate the connections and disconnections of the preferred order.

Figures 3A, 3B, 3C, and 3D are frontal views of one embodiment of a consumer's display screen.

Figure 4A is a flow-chart of the preferred embodiment's payment processing operation.

Figure 4B is a flow-chart of an alternative embodiment's payment processing operation.

Figure 5 is a flow-chart of the operation of the merchant's computer.

Drawings in Detail:

Figures 1A and 1B are block diagrams of the two computer configurations used in the preferred embodiment.

Figure 1A illustrates the configuration of the preferred payment processing computer. As shown, computer 10A is a simple layout of a Central-Processing-Unit (CPU) 11A which uses both non-volatile memory 12A and Random-Access-Memory (RAM) 13A.

Communication to and from CPU 11A is via modem 14A which communicates with other computers via the network connected by phone line 15A.

Computer 10B, illustrated in figure 1B, shows the preferred computer configuration used for the merchant computer and the customer computer. Again, CPU 11B is connected to memories RAM 13B and non-volatile memory 12B. In the case of the merchant computer, the promotional material is stored on non-volatile memory 12B and is retrieved and communicated by CPU 11B using modem 14B and phone line 15B.

This system is able to communicate with an operator via monitor 16 for visual information. Monitor 16 is used for the perusal of the promotional material by the customer.

Keyboard 17 is used to communicate operator commands to CPU 11B. In like fashion, mouse input device 18 is also used for operator input to CPU 11B.

Optional printer 19 is used to create a hard copy of the

1 material being displayed to the operator/customer via monitor 16.

2 The differences between the computers shown in figure 1A and
3 1B are pronounced since the payment processing computer of figure
4 1A does not require input or direction from a human operator.
5 Rather, in the preferred embodiment, the payment processing
6 computer runs totally automatically and collects all of the data
7 and information it requires for its operation automatically from
8 the computers with which it is linked and with what is stored in
9 its memory.

10 Figure 1C is a graphical representation of the preferred
11 memory organization for the computer illustrated in figure 1A.

12 Memory 9, located preferably in non-volatile memory 12A, has
13 three sections. The first section 8A is the product listing
14 reference which is composed of multiple groupings. This data
15 remains relative constant and is defined by the merchant. Each
16 grouping, such as 7A, includes data identifying:

17 Part Number

18 Merchant Identification

19 Cost of Product/Service

20 Description of the Product/Service

21 Authorized Return URL

22 Rejected Return URL

23 Password

24 The second section is for defining the merchant's

Amendment A Replacement Pages

information. Each grouping 7B within section 8B contains relative constant information such as:

- Merchant Identification
- Business Name
- Contact Name within the Business
- Business Address
- E-Mail address for the Business
- Bank Checking Number for the Business

The third section 8C is an accounting listing which is constantly up-graded as new payments are processed. This section is used for making full accounting to the various merchants.

Grouping 7C within section 8C contain:

- Transaction Number
- Date of transaction
- Amount of the transaction
- Part number involved in transaction
- Credit Card Number
- Authorization Number

The authorization number is the indicia received from the bank indicating that the credit card charge has been accepted.

The use of memory 9 allows the payment processing computer to have access to the necessary information to handle the linkage and perform the proper accounting.

Figures 2A, 2B, 2C, 2D, and 2E graphically illustrate the

1 connections and disconnections of the preferred order.

2 Referring to figure 2A, in a typical fashion, a consumer via
3 customer computer 21 enters the network 20 and searches through
4 various merchant computers until the consumer locates the
5 merchant of choice and connects with merchant computer 22.
6 Merchant computer 22 communicates the promotional material via
7 network 20 to customer computer 21.

8 When the consumer decides to buy the service or product from
9 merchant 22, as shown in figure 2B, the link with merchant
10 computer 22 is broken and customer computer 21 links with the
11 payment processing computer 23. In the change from merchant
12 computer 22 to payment processing computer 23, an indicia of the
13 URL or the product being promoted by merchant computer 22 is
14 communicated to the payment processing computer 23.

15 The indicia as a URL of the last site is available through
16 normal network operations and its handling is obvious to those of
17 ordinary skill in the art. The product number is easily
18 combined with the URL; thereby making the product number also
19 available to the payment processing computer 23.

20 In some embodiments, the originating URL is crossed checked
21 to a memory data base to achieve the product number. In this
22 embodiment, the merchant structures its material so that only a
23 single product/service is associated with a specific URL.

24 Using the product number (or developing the product number

Amendment A Replacement Pages

1 from the merchant's URL), the payment processing computer is able
2 to cross reference its own memory (as described earlier) to
3 achieve other important information including: the amount of the
4 product/service, a description of the product/service, the name
5 and address of the merchant, and other which will be used in
6 later operations.

7 The payment processing computer 23 accepts from the customer
8 computer 21, the credit card account number which is to be
9 debited the amount of the product.

10 As shown in figure 2C, in this embodiment, while maintaining
11 linkage with the customer computer 21, the payment processing
12 computer 23 establishes a link via phone lines 25 with the credit
13 card server computer 24. The credit card account number and
14 amount is communicated to the credit card server computer 24
15 which responds to the payment processing computer 23 with an
16 authorization indicia. This authorization indicia gives the
17 acceptance or denial of the charge.

18 If a product is to be shipped, and if the charge has been
19 authorized, as shown in figure 2D, the payment processing
20 computer 23 connects with the merchant computer 22 and directs
21 the merchant to ship the product to the consumer.

22 As shown in figure 2E, since the payment processing computer
23 23 has identified the product number, it is able to retrieve from
24 its memory the URL for reconnecting the customer computer 21 with

Amendment A Replacement Pages

1 the merchant computer 22. In this manner, the entire operation
2 is totally transparent to the consumer since they feel they have
3 been continuously working with the merchant computer 22.

4 Further, using the URL's from its memory, the payment
5 processing computer 23 is able to link the customer computer 21
6 to the merchant computer 22 at an address which is different from
7 where the consumer was originally connected. In this manner, the
8 payment processing computer 23 is able to direct the consumer to
9 different locations which are consistent with the authorization
10 indicia (accept/reject) on their credit card.

11 As example, assume, the credit card was authorized, then the
12 consumer could be reconnected to an area which has restricted
13 access so that the consumer can gain the information paid for; if
14 on the other hand, the credit card was rejected, the connection
15 would be to a page indicating such and possibly asking for
16 another card number.

17 In this manner, the payment processing computer 23 is able
18 to control the operation and interface between the customer
19 computer 21 and the merchant computer 22.

20 Periodically, the payment processing computer 23 connects
21 via the phone lines 25 with the credit card server 24 and
22 instructs it to transfer the appropriate amount of funds to the
23 merchant's bank computer 26 so that the merchant has access to
24 the funds paid for his product/service provided to the consumer.

Amendment A Replacement Pages

1 Figures 3A, 3B, 3C, and 3D are frontal views of one
2 embodiment of a consumer's display screen.

3 Screen 30A is designed to provide the promotional
4 information so that the consumer is attracted to purchase the
5 product. In screen 30A is the name of the merchant company (XYZ
6 CO.) 31, the name of the product (widget) 32, the price (\$14.95)
7 33, and the part number (#10234) 34.

8 Also located on screen 30A is a software key 35 which allows
9 the consumer to pay for the product. In this embodiment, by
10 activating this software key 35 (typically through a click of the
11 mouse), screen 30A is changed to screen 30B which is identical
12 except that the software key 35 has been replaced with an order
13 window 36.

14 Order window 36 allows the consumer to complete the
15 necessary information to order the product. This includes the
16 part number 37A, the amount 37B, and the credit card number 37C.
17 When the consumer is ready, the software key "Send" 37D or the
18 software key "Cancel" 37E is activated. In the case of a cancel,
19 the screen returns to screen 30A.

20 In a "send" 37D, mode, the payment processing computer
21 contacts the bank computer and determines if the credit card is
22 valid and if the amount is available. If the charge is
23 authorized, the screen changes to 30C in which the order window
24 36 has been replaced with authorization window 38 which shows

Amendment A Replacement Pages

1 that the charge has been accepted 39A, the transaction no.
2 (A1483) 39B, and the password ("GO") 39C which the consumer is to
3 use with the merchant.

4 When this information has either been printed or committed
5 to memory, the consumer activates software key 39D to "Proceed"
6 to screen 30D. At this point, the consumer is able to enter the
7 password 29 so that the restricted access is lifted. In the
8 genealogy example, it is at this point the consumer gains access
9 to the full report.

10 Figure 4A is a flow-chart of the preferred embodiment's
11 payment processing operation.

12 After start 40A, a connection is made with the customer
13 computer 41A and the encryption software is downloaded to the
14 customer computer 41B. Encryption software is preferably used
15 for transmittal of the credit card number so that the integrity
16 of the card is not jeopardized.

17 The consumer computer then communicates, and the payment
18 processing computer accepts, the account number, the amount, and
19 the identification of the product or service, 42A. A connection
20 is made with the credit card server 41C and the account number
21 and amount is transmitted 41D to the credit card server over the
22 established phone lines. In response to this query, the
23 authorization data is received 42B and the connection with the
24 credit card server 41E is broken.

Amendment A Replacement Pages

1 A transaction indicia is generated 41F. This transaction
2 indicia is not the authorization data but serves as an internal
3 monitoring system for the payment processing computer so that the
4 accounting is kept accurate.

5 From the memory, the password is withdrawn 41G for the
6 product so ordered; and, the password and transaction indicia is
7 transmitted to the customer computer 41H.

8 At this point, the connection with the customer computer is
9 terminated 41I and the program stops 40B.

10 Figure 4B is a flow-chart of an alternative embodiment's
11 payment processing operation.

12 After start 43A, the program connects with the customer
13 computer 44A and at the same time obtains the merchant URL 45A.
14 Using the merchant URL, the payment processing computer searches
15 its memory and identifies the merchant number, the part number,
16 and the purchase amount 44B.

17 The encryption software is downloaded into the customer
18 computer 44C and the credit card account number is received 45.
19 A connection is then made with the credit card server computer
20 44D and the account number and the amount is transmitted 44E.
21 This inquiry results in an authorization code 45C being received
22 and the connection with the credit card server being broken 44F.

23 A check is then made to see if the credit card purchase was
24 authorized 46A.

Amendment A Replacement Pages

1 If the credit card purchase was denied, the URL to use for a
2 rejection is withdrawn from memory 44G and the Customer computer
3 is connected to the merchant computer at this URL 44H leaving the
4 payment processing computer able to disconnect 44I and stop 43B.

5 Should the credit card purchase be accepted, 46A, then the
6 program generates a transaction identification 44J. This
7 transaction identification is stored along with the date, amount
8 of purchase, and the merchant number 44K.

9 The password is retrieved from memory 44L and it, together
10 with the transaction identification, is transmitted to the
11 customer computer 44M.

12 From memory, the authorized URL is withdrawn 44N.

13 A determination, based upon stored data, is made as to the
14 character of the product (service or goods) 46B. If the product
15 relates to goods which are to be shipped, a shipping order
16 including the transaction identification, the amount, the date,
17 and address of the customer, is communicated to the merchant 44O
18 to satisfy the order. If the product is a "service", the program
19 skips to step 44P.

20 The customer computer is then connected to the authorized
21 URL 44P and the connection with the customer computer is
22 terminated 44Q allowing the program to stop 43C.

23 Figure 5 is a flow-chart of the operation of the merchant's
24 computer.

Amendment A Replacement Pages

1 After start 50A, the merchant computer connects with the
2 customer computer 51A and communicates the promotional material
3 52A. The password is received from the customer 52B and is
4 checked to see if it is the correct password 53A.

5 If the password is incorrect, a determination is made on if
6 it is the customer's first try 53B; if it is, then the customer
7 is given another chance to enter the correct password 52B. If
8 the customer has tried twice to enter the correct password, the
9 connection with the customer is terminated 51C and the program
10 stops 50C.

11 If the password is correct, 53A, then the secure or
12 restricted access data is communicated to the customer's computer
13 51D and the connection with the customer's computer is terminated
14 51B. The program then stops 50B.

15 In this manner, secure information is selectively
16 transmitted to a customer's computer upon the presentation of a
17 password.

18 It is clear from the foregoing that the present invention
19 creates a highly improved system for acceptance and processing of
20 payments over a distributed computer network.

Amendment A Replacement Pages

What is claimed is:

1 1. A method of operating a computer on a network comprising
2 the steps of:

3 a) receiving customer account data originating from a first
4 remote computer and amount data originating from a second remote
5 computer via said network;

6 b) based upon said account data and said amount data,
7 establishing an authorization indicia; and,

8 c) communicating said authorization indicia to said second
9 remote computer via said network.

1 2. The method according to claim 1, further including the
2 step of communicating a password to said first remote computer.

1 3. The method according to claim 2, wherein the step of
2 communicating a password includes the step of sending the
3 password via said network.

1 4. The method according to claim 1, wherein the step of
2 establishing an authorization indicia includes the step of
3 communicating said account data and amount data via a phone
4 network.

1 5. The method according to claim 4, wherein the step of
2 establishing an authorization indicia includes the step of
3 receiving an acceptance indicia via said phone network.

1 6. A method of processing a payment order over a network
2 comprising the steps of:

3 a) via said network, receiving customer account data from a
4 first remote computer and amount data from a second remote
5 computer;

6 b) based upon said account data and said amount data,
7 establishing an authorization indicia; and,

8 c) communicating said authorization indicia to the second
9 remote computer via said network for the satisfaction of said
10 payment order.

1 7. The method according to claim 6, further including the
2 step of communicating a password to the first remote computer.

Amendment A Replacement Pages

1 8. The method according to claim 7, wherein the step of
2 communicating a password includes the step of sending the
3 password via said network.

1 9. The method according to claim 6, wherein the step of
2 establishing an authorization indicia includes the step of
3 communicating said account data and amount data via a phone
4 network.

1 10. The method according to claim 9, wherein the step of
2 establishing an authorization indicia includes the step of
3 receiving an acceptance indicia via said phone network.

1 11. An Internet payment processing method comprising the
2 steps of:

3 a) receiving customer account data from a first remote
4 location and amount data from a second remote location; and,
5 b) based upon said account data and said amount data,
6 establishing an authorization indicia indicative of payment
7 compliance.

Amendment A Replacement Pages

1 12. The method according to claim 11, further including the
2 step of communicating a password to the first remote location.

1 13. The method according to claim 12, wherein the step of
2 communicating a password includes the step of sending the
3 password via said Internet.

1 Abstract:

2 A method of operating a computer on a network of computers
3 for the purpose of collecting payments due a remote computer on
4 the network (such as the Internet). The method for payment
5 processing includes the steps of: receiving the customer's
6 account data and amount data; establishing an authorization
7 indicia; and, communicating said authorization indicia to a
8 remote computer (such as the merchant's computer) on the network.



UNITED STATES PATENT AND TRADEMARK OFFICE

Attachment 5

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER OF PATENTS AND TRADEMARKS
Washington, D.C. 20231
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/654,339	09/08/2000	Mark E. Ogram	I475B.5A.5	8051

7590 03/04/2003
Mark E Ogram
7454 E. Broadway
suite 203
Tucson, AZ 85710

EXAMINER

COSIMANO, EDWARD R

ART UNIT PAPER NUMBER

3629

DATE MAILED: 03/04/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

Amended

SK

Office Action Summary	Application No.		Applicant(s)	
	09/654,339		OGRAM, MARK E.	
	Examiner		Art Unit	
	Edward R. Cosimano		3629	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 29 March 2002.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-13 is/are pending in the application.
- 4a) Of the above claim(s) none is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-13 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☒ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 08 September 2000 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on _____ is: a) ☐ approved b) ☐ disapproved by the Examiner.
If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
* See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☒ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

- | | |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) Paper No(s). _____ |
| 2) <input checked="" type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449) Paper No(s) _____ | 6) <input type="checkbox"/> Other: |

Art Unit: 3629

1. Applicant should note the changes to patent practice and procedure:

A) effective December 01, 1997 as published in the Federal Register, Vol 62, No. 197, Friday October 10, 1997; and

B) effective November 07, 2000 as published in the Federal Register, Vol 65, No. 54603, September 08, 2000.

2. The disclosure is objected to because of the following informalities:

A) applicant must update:

(1) the continuing data on page 1;

with the current status of each of the referenced applications, e.g., --now abandoned--, or --now patent #?--, or --which is abandoned and now serial number #?--, etc.

Appropriate correction is required.

3. The specification and drawings have not been checked to the extent necessary to determine the presence of all possible minor errors. Applicant's cooperation is requested in correcting any errors of which applicant may become aware in the specification or drawings. Applicant should note the requirements of 37 CFR § 1.74, § 1.75, § 1.84(o,p(5)), § 1.121(a)-1.121(f) & § 1.121(h)-1.121(i).

4. The following is a quotation of 35 U.S.C. § 103 which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

(c) Subject matter developed by another person, which qualifies as prior art only under subsection (f) or (g) of section 102 of this title, shall not preclude patentability under this section where the subject matter and the claimed invention were, at the time the invention was made, owned by the same person or subject to an obligation of assignment to the same person.

Art Unit: 3629

4.1 Claims 1-13 are rejected under 35 U.S.C. § 103(a) as being unpatentable over the Communications Week article in view of common well accepted practice.

4.1.1 In regard to claims 1, 6 & 11, the Communications week article discloses in January 1996 that it was known to in on-line commerce to use a credit intermediary. The credit intermediary uses customer account information, for example credit information, that has been received from a first remote computer that us an user via a network to obtain an authorization indicia, for example an approval number. After the authorization indicia has been received, the authorization indicia is passed on to the merchant via a network so as to indicate that payment has been made for an item being purchased.

4.1.2 The Communications week article does not disclose that the intermediary receives amount data from a second remote computer, that is merchant, however, since:

A) the approving entity, such as a bank or credit card company requires the amount data to be specified before issuing an authorization indicia;

B) a merchant requires the correct payment for merchandise being purchased;
and

C) the customer may alter the amount information in the customer's advantage;
it would have been obvious to one of ordinary skill at the time the invention was made that the credit intermediary of the Communications week article would receive the amount data from the second remote computer.

4.1.3 In regards to claims 2, 3, 7, 8, 12 & 13, it is noted that the Communications week article discloses the use of passwords to authenticate the identity of users on a network.

4.1.4 In regards to claims 4, 5, 9 & 10, it is noted that the Communications week article requires the use of a communications network, hence it would have been obvious to one of ordinary skill at the time the invention was made that any suitable communications network could be used by the intermediary of the Communications week article to accomplish the desired communications absent applicant's showing of new and unexpected results from a particular type of communications network.

5.

Response to applicant's arguments.

Art Unit: 3629

5.1 All rejections and objections of the previous Office action not repeated or modified and repeated here in have been over come by applicant's last response.


6. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Edward Cosimano whose telephone number is (703) 305-9783. The examiner can normally be reached Monday through Thursday from 7:30am to 6:00pm. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Weiss, can be reached on (703)-308-2702. Any inquiry of a general nature or relating to the status of this application should be directed to the Group receptionist whose telephone number is (703) 308-1113.

6.1 The fax phone number for UNOFFICIAL/DRAFT FAXES is (703) 746-7240.

6.2 The fax phone number for OFFICIAL FAXES is (703) 305-7687.

6.3 The fax phone number for AFTER FINAL FAXES is (703) 308-3691.

03/02/03


Edward R. Cosimano
Primary Examiner A.U. 3629

Notice of References Cited	Application/Control No. 09/654,339	Applicant(s)/Patent Under Reexamination OGRAM, MARK E.	
	Examiner Edward R. Cosimano	7/5/03 Art Unit 3629	Page 1 of 1

U.S. PATENT DOCUMENTS

*		Document Number Country Code-Number-Kind Code	Date MM-YYYY	Name	Classification
	A	US-T104,003	03-1984	Hall et al	1/1
	B	US-			
	C	US-			
	D	US-			
	E	US-			
	F	US-			
	G	US-			
	H	US-			
	I	US-			
	J	US-			
	K	US-			
	L	US-			
	M	US-			

FOREIGN PATENT DOCUMENTS

*		Document Number Country Code-Number-Kind Code	Date MM-YYYY	Country	Name	Classification
	N					
	O					
	P					
	Q					
	R					
	S					
	T					

NON-PATENT DOCUMENTS

*		Include as applicable: Author, Title Date, Publisher, Edition or Volume, Pertinent Pages)
	U	
	V	
	W	
	X	

*A copy of this reference is not being furnished with this Office action. (See MPEP § 707.05(a).)
Dates in MM-YYYY format are publication dates. Classifications may be US or foreign.

le

Notice of References Cited	Application/Control No. 09/654,339	Applicant(s)/Patent Under Reexamination OGRAM, MARK E.	
	Examiner Edward R. Cosimano	3/2/03 Art Unit 3629	Page 1 of 1

U.S. PATENT DOCUMENTS

*		Document Number Country Code-Number-Kind Code	Date MM-YYYY	Name	Classification
	A	US-			
	B	US-			
	C	US-			
	D	US-			
	E	US-			
	F	US-			
	G	US-			
	H	US-			
	I	US-			
	J	US-			
	K	US-			
	L	US-			
	M	US-			

FOREIGN PATENT DOCUMENTS

*		Document Number Country Code-Number-Kind Code	Date MM-YYYY	Country	Name	Classification
	N					
	O					
	P					
	Q					
	R					
	S					
	T					

NON-PATENT DOCUMENTS

*		Include as applicable: Author, Title Date, Publisher, Edition or Volume, Pertinent Pages)
	U	Communications Week: "Better to Be 'Net-Safe Than Sorry"; 29 January 1996, page 23.
	V	
	W	
	X	

*A copy of this reference is not being furnished with this Office action. (See MPEP § 707.05(a).)
Dates in MM-YYYY format are publication dates. Classifications may be US or foreign.

6

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In Re the Application of:	Ogram	Docket No.:	1475.5A.5
Serial #:	09/654,339	Examiner:	Cosimano, E.
Filed:	09/08/2000	Group:	2161
For:	Method of Processing Payment on a Network of Computers such as the Internet		

PROPOSED CLAIM

Honorable Commissioner of Patents and Trademarks
Washington, D.C. 20231

VIA FAX 703-305-7687
attn: Examiner Cosimano

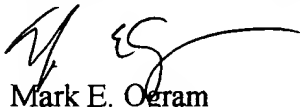
Examiner Cosimano:

For discussion purposes only, the following claim 1, for the above identified patent application, indicates my proposed changes. Please contact me at 520-574-3399 so that we can discuss this matter relative to the new prior art.

- 1 1. A method of operating a computer on a network, without human
2 intervention, comprising the steps of:
- 3 a) automatically receiving customer account data and amount data originating
4 from a first remote computer and amount data originating from a second remote
5 computer via said network;
- 6 b) based upon said account data and s.
7 establishing an authorization indicia; and,
- 8 c) automatically communicating said a
9 remote computer via said network.

प्रश्न 6

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'M. E. Ogram', with a long horizontal flourish extending to the right.

Mark E. Ogram
Attorney at Law
Reg. No. 30343

Date:

4/2/03

Attachment 7

COPY

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In Re the Application of: Ogram

Docket No.: 1475B.5A.5

Serial #: 09/654,339

Examiner: Cosimano, Edward R.

Filed: 09/08/2000

Group: 3629

For: METHOD OF PROCESSING PAYMENT ON A NETWORK OF COMPUTERS....

AMENDMENT B

37 C.F.R. 1.115

Commissioner of Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

Regarding the above identified patent application and responsive to the Office Action dated 03/04/03, please make the following amendments and note the corresponding remarks.

In the Claims: Please amend the claims as indicated:

1 1. (Currently Amended) A method of operating a computer on a network,
2 without human intervention, comprising the steps of:

3 a) automatically receiving customer account data and amount data from a
4 remote computer via said network;

5 b) based upon said account data and said amount data, automatically
6 establishing an authorization indicia; and,

7 c) automatically communicating said authorization indicia to said remote
8 computer via said network.

1 2. (Previously Amended) The method according to claim 1, further
2 including the step of communicating a password to said remote computer.

1 3. (Original) The method according to claim 2, wherein the step of
2 communicating a password includes the step of sending the password via said
3 network.

1 4. (Original) The method according to claim 1, wherein the step of
2 establishing an authorization indicia includes the step of communicating said
3 account data and amount data via a phone network.

1 5. (Original) The method according to claim 4, wherein the step of
2 establishing an authorization indicia includes the step of receiving an
3 acceptance indicia via said phone network.

1 6. (Currently Amended) An automatic method of processing a payment
2 order over a network without human intervention comprising the steps of:
3 a) automatically receiving customer account data and amount data via
4 said network;
5 b) based upon said account data and said amount data, automatically
6 establishing an authorization indicia; and,
7 c) automatically communicating said authorization indicia to a remote
8 computer via said network for the satisfaction of said payment order.

1 7. (Previously Amended) The method according to claim 6, further
2 including the step of communicating a password to a second remote computer.

1 8. (Original) The method according to claim 7, wherein the step of
2 communicating a password includes the step of sending the password via said
3 network.

1 9. (Original) The method according to claim 6, wherein the step of
2 establishing an authorization indicia includes the step of communicating said
3 account data and amount data via a phone network.

1 10. (Original) The method according to claim 9, wherein the step of
2 establishing an authorization indicia includes the step of receiving an
3 acceptance indicia via said phone network.

1 11. (Currently Amended) An Internet payment processing method operating
2 without human intervention comprising the steps of:

3 a) automatically receiving customer account data and amount data from a
4 remote computer via said Internet;

5 b) based upon said account data and said amount data, automatically
6 establishing an authorization indicia indicative of payment compliance; and,

7 c) automatically communicating said authorization indicia to said remote
8 computer via said Internet.

1 12. (Previously Amended) The method according to claim 11, further
2 including the step of communicating a password to a second remote computer.

1 13. (Original) The method according to claim 12, wherein the step of
2 communicating a password includes the step of sending the password via said
3 Internet.

1 14. (Deleted)

REMARKS

Claims 1-13, were pending before the examiner. The examiner has rejected all of the claims.

Numerous phone consultations were held with the examiner from April 8 to April 10, concerning the reference cited in the above identified Office Action. The discussion related to the Communications Week article and what it was able to enable. Applicant raised the issue on the two copyright dates indicating that it was impossible to confirm when any portion of the article was written. The examiner dismissed this concern. No resolution on the copyright date was accepted by either party.

The discussion also related to the standards of the industry on the date of the article. Applicant stated that the only true way that information was passed over the Internet at the time of the article was via e-mail. The examiner accepted this fact. Applicant then argued that those of "ordinary skill in the art" at the time of article (the earliest date available) would not contemplate or be able to withdraw information within an e-mail for use elsewhere. Applicant argued that even today, extrapolating a sixteen digit number (a credit card number) from an e-mail is extremely difficult due to the many ways (blanks, dashes, or a continuous number) together with the placement of the number within the e-mail; and that the way information was handled at the time was through an intermediate human who extracted the information from an e-mail.

The examiner did not commit either way on this proposition. Subsequently a FAX was sent to the examiner containing language which clearly establishes that this operation is done in an "automatic" fashion without any human intervention. The examiner and applicant have not had a chance to discuss this FAX.

No final resolution to the interviews was obtained.

The acceptance of the drawings filed earlier is noted.

The examiner has objected to the specification stating that the continuing data found on page 1 must be updated.

As of this date, this data appears to be complete. If there is an error, the examiner's assistance is requested to correct the specification.

The examiner has rejected claims 1-13 under 35 U.S.C. 103(a) citing the Communications Week article. The examiner states,

"... the Communications week article discloses in January 1996 that it was known to in on-line commerce to use a credit intermediary. The credit intermediary uses customer account information, for example credit information, that has been received from a first remote computer that us an user via a network to obtain an authorization indicia, for example an approval number. After the authorization indicia has been received, the authorization indicia is passed on to the merchant via a network so as to indicate that payment has been made for an item being purchased."

As noted earlier, this reference has been discussed by phone interview with the examiner. In that interview, the examiner agreed that the technique of the time was to use phone and e-mail as the methodology of communications.

The very reference that the examiner is using supports this type of communication when it discusses the current state of the art:

"... an on-line customer types in his or her credit card number or phones it into the merchant, often using a toll-free telephone number." (Page 2, lines 1-2, underline added)

The article deals with the sole issue of "security" ("For a commercial user, ... And security is its biggest concern.", lines 1-2 of the article; "... About half of all credit card fraud is initiated by the merchant", page 2, line 3). To satisfy the security concerns, the article plugs an intermediary into the process which:

"...intermediaries take the credit card information, secure the authorization from the credit card issuer and pass that verification along to the merchant. That way, the merchant never has the credit card number itself." (Page 2, lines 4-6)

The reference's own brevity makes the article easily mis-interpreted by the examiner now that the invention is fully known. The examiner though must look at the state of the art and ability at the time of the reference.

It is clear from the reference's description of how the "merchant" handles the transaction that there is a human operator who receives the information "from the phone" or via an e-mail. Accurately and automatically

extrapolating a sixteen digit number with expiration date from an e-mail is a daunting task which is not even done today, much less at the dawn of the Internet. At the time, the human operator was the only accurate method of obtaining the credit card number and its expiration date.

As example, a human can easily recognize all of the following numbers as being the same, but a computer would have extreme difficulty:

1234 5678 9123 4567 exp 01/05	1234-5678-9123-4567 exp 01/05
1234 5678 9123 4567 exp 1/05	1234-5678-9123-4567 exp 1/05
1234 5678 9123 4567 exp 01/5	1234/5678/9123/4567 exp 01/5
1234 5678 9123 4567 exp 01-05	1234/5678/9123/4567 exp 01/05
1234 5678 9123 4567 exp 1-05	1234/5678/9123/4567 exp 1/05
1234 5678 9123 4567 exp 01-5	1234/5678/91234567 exp 01/5

The possibilities are endless. (Not even considering is there one space or two spaces or three spaces between the numbers).

This fact was made clear when an implementation of an embodiment of the invention was described to a banker in the field of credit card processing. At one point the implementation was described as being totally automatic without any people and the banker observed, "you mean except for the ladies taking the number on the phone."

Further, common sense indicates that if the "intermediary" was operating "without human intervention", as the examiner suggest, then the intermediary could easily take the information from the Net; but, the Intermediary seems (according to the examiner) to create parallel systems for the task (one by phone and the other automatic). This does not make economic sense.

As stated earlier, it is the brevity of the article that permits any possibility to be "read into" the article after the situation is known, yet there is no supporting information to fill in the article's many holes with facts. Would this article be able to "teach or suggest" something that even when read now eludes "one of ordinary skill in the art"?

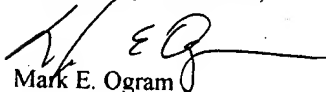
Clearly not.

Independent claims 1, 6, and 11, by this amendment have been amended to include language which clearly shows that the present invention works "without human intervention" and "automatically".

It is respectfully submitted that claims 1-13, as now amended, are not taught or suggested by the Communications Week article.

Based upon the above, it is respectfully submitted that claims 1-13, as now amended, are allowable and should be advanced to issuance.

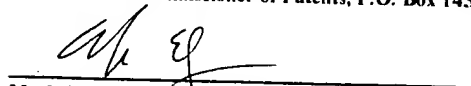
Respectfully Submitted,


Mark E. Ogram
Attorney at Law
Reg. No. 30343

Date: May 20, 2003

CERTIFICATE OF MAILING (37 CFR 1.8)

I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail in an envelope addressed to: Commissioner of Patents, P.O. Box 1450, Alexandria, VA 22313-1450, on May 20, 2003.


Mark Ogram (reg. No. 30343)

5/20/03
Date



UNITED STATES PATENT AND TRADEMARK OFFICE

Attachment 8

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/654,339	09/08/2000	Mark E. Ogram	1475B.5A.5	8051

7590
Mark E Ogram
7454 E. Broadway
suite 203
Tucson, AZ 85710

07/10/2003

EXAMINER

COSIMANO, EDWARD R

ART UNIT PAPER NUMBER

3629

DATE MAILED: 07/10/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

Apparatus 8

Office Action Summary

Application No.

09/654,339

Applicant(s)

OGRAM, MARK E.

Examiner

Edward R. Cosimano

Art Unit

3629

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 23 May 2003.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-13 is/are pending in the application.
- 4a) Of the above claim(s) none is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-13 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☒ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 08 September 2000 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on _____ is: a) ☐ approved b) ☐ disapproved by the Examiner.
- If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
- a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☒ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) _____
- 4) ☐ Interview Summary (PTO-413) Paper No(s) _____
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____

Art Unit: 3629

1. Applicant should note the changes to patent practice and procedure:

A) effective December 01, 1997 as published in the Federal Register, Vol 62, No. 197, Friday October 10, 1997; and

B) effective November 07, 2000 as published in the Federal Register, Vol 65, No. 54603, September 08, 2000.

2. The disclosure is objected to because of the following informalities:

A) applicant must update:

(1) the continuing data on page 1;

with the current status of each of the referenced applications, e.g., --now abandoned--, or --now patent #?--, or --which is abandoned and now serial number #?--, etc.

Appropriate correction is required.

3. The specification and drawings have not been checked to the extent necessary to determine the presence of all possible minor errors. Applicant's cooperation is requested in correcting any errors of which applicant may become aware in the specification or drawings. Applicant should note the requirements of 37 CFR § 1.74, § 1.75, § 1.84(o,p(5)), § 1.121(a)-1.121(f) & § 1.121(h)-1.121(i).

4. The following is a quotation of 35 U.S.C. § 103 which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

(c) Subject matter developed by another person, which qualifies as prior art only under subsection (f) or (g) of section 102 of this title, shall not preclude patentability under this section where the subject matter and the claimed invention were, at the time the invention was made, owned by the same person or subject to an obligation of assignment to the same person.

4.1 Claims 1-13 are rejected under 35 U.S.C. § 103(a) as being unpatentable over the Communications Week article in view of Hall et al (T104,003) and common well accepted practice.

4.1.1 In regard to claims 1, 6 & 11, the Communications week article discloses in January 1996 that it was known to in on-line commerce to use a credit intermediary. The credit intermediary uses customer account information, for example credit information, that has been received from a first remote computer that us an user via a network to obtain an authorization indicia, for example an approval number. After the authorization indicia has been received, the authorization indicia is passed on to the merchant via a network so as to indicate that payment has been made for an item being purchased.

4.1.2 The Communications week article does not disclose the operations are performed automatically with out human intervention, however, as taught by Hall et al ('003) it was known in 1984 that information/data could be transmitted over a communication link between two computers using any suitable protocol. Where the protocol defines the make up of the information/data being transmitted as a known sequence/series of commands/instructions/data. Therefore, in 1996 one of ordinary skill would have known that information/data that is being transmitted between a client computer and a server is structured according known communications protocol, otherwise the receiving computer could not make any sense of the transmitted information/data. Based on the fact that the transmission of information/data is in fact structured, it would have been obvious to one of ordinary skill at the time the invention was made that the information/data in a transmission could be automatically retrieved from the transmitted data with out human intervention, since the transmitted data must appear in a specified sequence with in the transmitted information/data.

4.1.3 The Communications week article does not disclose that the intermediary receives amount data from a second remote computer, that is merchant, however, since:

A) the approving entity, such as a bank or credit card company requires the amount data to be specified before issuing an authorization indicia;

B) a merchant requires the correct payment for merchandise being purchased;
and

C) the customer may alter the amount information in the customer's advantage; it would have been obvious to one of ordinary skill at the time the invention was made that the credit intermediary of the Communications week article would receive the amount data from the second remote computer.

4.1.4 In regards to claims 2, 3, 7, 8, 12 & 13, it is noted that the Communications week article discloses the use of passwords to authenticate the identity of users on a network.

4.1.5 In regards to claims 4, 5, 9 & 10, it is noted that the Communications week article requires the use of a communications network, hence it would have been obvious to one of ordinary skill at the time the invention was made that any suitable communications network could be used by the intermediary of the Communications week article to accomplish the desired communications absent applicant's showing of new and unexpected results from a particular type of communications network.

5. Response to applicant's arguments.

5.1 All rejections and objections of the previous Office action not repeated or modified and repeated here in have been over come by applicant's last response.

5.2 In regard to the appearance of two copyright dates, it is respectfully noted that the publication data is used and not the copyright date.

Art Unit: 3629

6. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Edward Cosimano whose telephone number is (703) 305-9783. The examiner can normally be reached Monday through Thursday from 7:30am to 6:00pm. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Weiss, can be reached on (703)-308-2702. Any inquiry of a general nature or relating to the status of this application should be directed to the Group receptionist whose telephone number is (703) 308-1113.

6.1 The fax phone number for UNOFFICIAL/DRAFT FAXES is (703) 746-7240.

6.2 The fax phone number for OFFICIAL FAXES is (703) 305-7687.

6.3 The fax phone number for AFTER FINAL FAXES is (703) 308-3691.

07/05/03



Edward R. Cosimano
Primary Examiner A.U. 3629

Attachment 9

COF

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In Re the Application of: Ogram Docket No.: 1475B.5A.5
Serial #: 09/654,339 Examiner: Cosimano, Edward R.
Filed: 09/08/2000 Group: 3629
For: METHOD OF PROCESSING PAYMENT ON A NETWORK OF COMPUTERS....

AMENDMENT C
37 C.F.R. 1.115

Commissioner of Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

Regarding the above identified patent application and responsive to the Office Action dated 07/10/2003, please make the following amendments and note the corresponding remarks.

Enclosures:

- (1) Terminal Disclaimer for United States Patent 5,991,738;
- (2) Terminal Disclaimer for United States patent application serial no. 10/055,247;
- (3) Check no. 4065 for the amount of \$ 110.00.

In the Claims: Please amend the claims as indicated:

1 1. (Currently Amended) A method of operating a computer on a network,
2 without human intervention, comprising the steps of:

3 a) automatically receiving customer account data originating from a
4 customer computer and amount data from a ~~remote~~ merchant computer via said
5 network;

6 b) based upon said account data and said amount data, automatically
7 establishing an authorization indicia; and,

8 c) ~~automatically communicating said authorization indicia to said remote~~
9 ~~computer via said network~~ based upon said authorization indicia, connecting
10 said customer computer to said merchant computer.

1 2. (Currently Amended) The method according to claim 1, further
2 including the step of communicating a password to said ~~remote~~ customer
3 computer.

1 3. (Original) The method according to claim 2, wherein the step of
2 communicating a password includes the step of sending the password via said
3 network.

1 4. (Original) The method according to claim 1, wherein the step of
2 establishing an authorization indicia includes the step of communicating said
3 account data and amount data via a phone network.

1 5. (Original) The method according to claim 4, wherein the step of
2 establishing an authorization indicia includes the step of receiving an
3 acceptance indicia via said phone network.

4 6. (Currently Amended) ~~An automatic~~ method of processing a payment
5 order over a network ~~without human intervention~~ comprising the steps of:

6 a) ~~automatically~~ receiving customer account data and amount data via
7 said network;

8 b) based upon said account data and said amount data, ~~automatically~~
9 establishing an authorization indicia; and,

10 c) ~~automatically communicating said authorization indicia to a remote~~
11 ~~computer via said network for the satisfaction of said payment order based~~
12 upon said authorization indicia, connecting a customer computer to a merchant
13 computer via said network.

1 7. (Currently Amended) The method according to claim 6, further
2 including the step of communicating a password to ~~a second remote~~ said
3 customer computer.

1 8. (Original) The method according to claim 7, wherein the step of
2 communicating a password includes the step of sending the password via said
3 network.

1 9. (Original) The method according to claim 6, wherein the step of
2 establishing an authorization indicia includes the step of communicating said
3 account data and amount data via a phone network.

1 10. (Original) The method according to claim 9, wherein the step of
2 establishing an authorization indicia includes the step of receiving an
3 acceptance indicia via said phone network.

1 11. (Currently Amended) An Internet payment processing method ~~operating~~
2 ~~without human intervention~~ comprising the steps of:

3 a) automatically receiving customer account data originating from a
4 customer computer and amount data from a ~~remote~~ merchant computer via said
5 Internet;

6 b) based upon said account data and said amount data, automatically
7 establishing an authorization indicia indicative of payment compliance; and,

8 c) ~~automatically communicating said authorization indicia to said remote~~
9 ~~computer via said Internet~~ based upon said authorization indicia, connecting
10 said customer computer to said merchant computer.

1 12. (Currently Amended) The method according to claim 11, further
2 including the step of communicating a password to ~~a second remote~~ said
3 customer computer.

1 13. (Original) The method according to claim 12, wherein the step of
2 communicating a password includes the step of sending the password via said
3 Internet.

1 14. (Deleted)

REMARKS

Claims 1-13 were pending before the examiner. The examiner has rejected all of the claims.

On July 23, 2003, a phone interview with the examiner was conducted. The subject of the interview was a proposed claim 1 which had been sent by FAX to the examiner the day before. The examiner pointed out that the proposed amendment to claim 1 raised 112 issues. Language to correct these 112 issues was discussed.

Terminal disclaimers are enclosed (together with proper payment) relative to United States Patent number 5,991,738, and co-pending application serial number 10/055,247. These two applications are based upon the same original application; the Terminal Disclaimers are meant to expedite the examination process.

Note, by this amendment, independent claims 1, 6, and 11, have been amended to include the limitation:

“... based upon said authorization indicia, connecting said customer computer to said merchant computer.” (Claim 1, amended, lines 9-10; similar language in claims 6 and 11).

The examiner has objected to the disclosure stating that the continuing data found on page 1 of the specification must be up-dated with the current status of the referenced applications.

A review of this information shows that as of this date, this data (provided by Amendment A) is accurate and complete.

The specification and claims have been reviewed for typographical and grammatical errors. No further errors have been found.

The examiner has rejected claims 1-13 under 35 U.S.C. 103(a) citing the Communications Week article in view of Hall and common well accepted practice.

Note the changes made to the independent claims, namely the requirement that the connection of the customer computer to the merchant computer. Hall merely shows the placement of data at specific locations within a data stream:

“...Under a synchronous data link control (SDLC) protocol which has information frames and supervisory frames” (Abstract, lines 5-7)

The Communications week article is also completely silent on this point (connecting customer to merchant) and deals exclusively with collecting the information and then passing the authorize/not-authorized back to the merchant:

"... intermediaries take the credit card information, secure the authorization from the credit card issuer and pass that verification along to the merchant." (Page 2, lines 4-5)

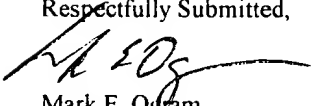
By relying on these references, the examiner is expecting "one of ordinary skill in the art" to make the currently claimed invention completely from "whole cloth". There is no support nor any suggestion in these references to proceed as claimed in the present application.

It is respectfully submitted that claims 1-13, as now amended, are not taught or suggested by the Communications Week article, Hall, or accepted practice, whether taken singly or in any combination.

The references previously used or cited by the examiner have been reviewed and none of them are felt to cure the problems already noted above.

Based upon the above, it is respectfully submitted that claims 1-13, as now amended, are allowable and should be advanced to issuance.

Respectfully Submitted,


Mark E. Ogram
Attorney at Law
Reg. No. 30343

Date: 7/30/03

CERTIFICATE OF MAILING (37 CFR 1.8)

I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail in an envelope addressed to: Commissioner of Patents, P.O. Box 1450, Alexandria, VA 22313-1450, on July 30, 2003.


Mark Ogram (reg. No. 30343)

July 30, 2003
Date

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In Re the Application of: Ogram
Serial #: 09/654,339
Filed: 09/08/2000
For: METHOD OF PROCESSING PAYMENT ON A NETWORK OF COMPUTERS....
Docket No.: 1475B.5A.5
Examiner: Cosimano, Edward R.
Group: 3629

TERMINAL DISCLAIMER TO OBVIATE A DOUBLE PATENTING REJECTION (37 CFR 1.321(C)) United States Patent number 5,991,738

Honorable Commissioner of Patents and Trademarks
Washington D.C. 20231

Sir:

I, Mark Ogram, represent that I am:
☐ an inventor of the above identified invention;
☐ an assignee of the above identified invention;
☐ a representative authorized to sign on behalf of the assignee of the above identified invention;
☒ the attorney of record for the above identified invention.

Identity of Assignee and Title of Disclaimant:

The assignee is: Name: Net MoneyIN Inc.
Address: 7454 E. Broadway ste 203
Tucson, Arizona 85710

Title of disclaimant authorized
to sign on behalf of assignee: Vice President

Assignment Recorded: Reel/Frame 9128/0581

Extent of Disclaimant's Interest:

The extent of the interest in this invention that the disclaimant owns is in:

- ☒ the whole of this invention;
☐ A sectional interest in this invention, as follows: _____

Disclaimer (37 CFR 1.321(a) and (b)):

The terminal part of the statutory term of any patent granted on the above-identified application or the above-identified patent that is subject to re-examination, which would extend beyond the expiration date of the full statutory term defined in 35 U.S.C. 154 to 156 and 173 of the patent or application forming the basis of the double patenting rejection.

- ☒ United States Patent number 5,991,738, as presently shortened by any terminal disclaimer;
☐ Any patent granted on application number _____.

is hereby disclaimed, except as provided below, and it is agreed that any patent so granted on the above identified application shall be enforceable only for, and during, such period that the legal title to said patent shall be the same as the legal title to,

- (X) United States Patent number 5,991,738, as presently shortened by any terminal disclaimer;
() Any patent granted on application number _____

this agreement to run with any patent granted on the above-identified application and to be binding upon the grantee, its successors or assignees.

In making the above disclaimer, disclaimant does not disclaim the terminal part of any patent granted on the instant application that would extend to the expiration date of the full statutory term as defined in 35 U.S.C. 154 to 156 and 173 of the patent or application forming the basis of the double patenting rejection.

- (X) United States Patent number 5,991,738, as presently shortened by any terminal disclaimer;
() Any patent granted on application number _____

in the event that it later: expires for failure to pay a maintenance fee, is held unenforceable, is found invalid by a court of competent jurisdiction, is statutorily disclaimed in whole or terminally disclaimed under 37 CFR 1.321, has all claims canceled by a reexamination certificate, is reissued in any manner or is terminated prior to expiration of its full statutory term as presently shortened by any terminal disclaimer, except for the separation of legal title stated above.

Fees:

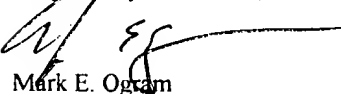
The fees for this Disclaimer is computed as follows (37 CFR 1.20(d)):

- () Other than a small entity: \$ 110.00
(X) Small Entity \$ 55.00
() A verified small entity statement is attached
(X) A verified small entity statement was filed
on Nov. 12, 1997

Attached is check number 4065 For the amount \$ 55.00

A duplicate of this disclaimer is attached.

Respectfully Submitted,

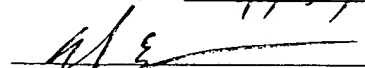


Mark E. Ogram
Attorney at Law (Reg. No. 30343)

Date: 7/30/03

CERTIFICATE OF MAILING (37 CFR 1.8)

I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail in an envelope addressed to: Commissioner of Patents and Trademarks, P.O. Box 1450, Alexandria, VA 22313-1450, on 7/30/03, 2003.


Mark E. Ogram, reg. no. 30343

7/30/03
Date

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In Re the Application of: Ogram
Serial #: 09/654,339
Filed: 09/08/2000
For: METHOD OF PROCESSING PAYMENT ON A NETWORK OF COMPUTERS....
Docket No.: 1475B.5A.5
Examiner: Cosimano, Edward R.
Group: 3629

**TERMINAL DISCLAIMER TO OBVIATE
A DOUBLE PATENTING REJECTION (37 CFR 1.321(C))**
United States Patent serial number 10/055,247

Honorable Commissioner of Patents and Trademarks
Washington D.C. 20231

Sir:

I, Mark Ogram, represent that I am:

- ☐ an inventor of the above identified invention;
- ☐ an assignee of the above identified invention;
- ☐ a representative authorized to sign on behalf of the assignee of the above identified invention;
- ☒ the attorney of record for the above identified invention.

Identity of Assignee and Title of Disclaimant:

The assignee is: Name: Net MoneyIN Inc.
Address: 7454 E. Broadway ste 203
Tucson, Arizona 85710

Title of disclaimant authorized
to sign on behalf of assignee: Vice President

Assignment Recorded: Reel/Frame 012538/0714

Extent of Disclaimant's Interest:

The extent of the interest in this invention that the disclaimant owns is in:

- ☒ the whole of this invention;
- ☐ A sectional interest in this invention, as follows: _____

Disclaimer (37 CFR 1.321(a) and (b)):

The terminal part of the statutory term of any patent granted on the above-identified application or the above-identified patent that is subject to re-examination, which would extend beyond the expiration date of the full statutory term defined in 35 U.S.C. 154 to 156 and 173 of the patent or application forming the basis of the double patenting rejection.

- ☐ United States Patent number _____, as presently shortened by any terminal disclaimer;
- ☒ Any patent granted on application number 10/055,247.

is hereby disclaimed, except as provided below, and it is agreed that any patent so granted on the above identified application shall be enforceable only for, and during, such period that the legal title to said patent shall be the same as the legal title to,

- () United States Patent number _____, as presently shortened by any terminal disclaimer;
(X) Any patent granted on application number 10/055,247,

this agreement to run with any patent granted on the above-identified application and to be binding upon the grantee, its successors or assignees.

In making the above disclaimer, disclaimant does not disclaim the terminal part of any patent granted on the instant application that would extend to the expiration date of the full statutory term as defined in 35 U.S.C. 154 to 156 and 173 of the patent or application forming the basis of the double patenting rejection.

- () United States Patent number _____, as presently shortened by any terminal disclaimer;
(X) Any patent granted on application number 10/055,247,

in the event that it later: expires for failure to pay a maintenance fee, is held unenforceable, is found invalid by a court of competent jurisdiction, is statutorily disclaimed in whole or terminally disclaimed under 37 CFR 1.321, has all claims canceled by a reexamination certificate, is reissued in any manner or is terminated prior to expiration of its full statutory term as presently shortened by any terminal disclaimer, except for the separation of legal title stated above.

Fees:

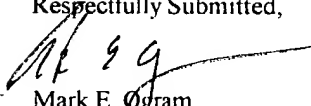
The fees for this Disclaimer is computed as follows (37 CFR 1.20(d)):

- () Other than a small entity: \$ 110.00
(X) Small Entity \$ 55.00
() A verified small entity statement is attached
(X) A verified small entity statement was filed
on 01/22/2002.

Attached is check number 4065 For the amount \$ 55.00.

A duplicate of this disclaimer is attached.

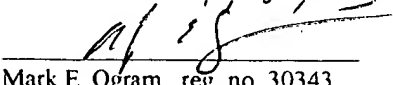
Respectfully Submitted,


Mark E. Ogram
Attorney at Law (Reg. No. 30343)

Date: 7/30/03

CERTIFICATE OF MAILING (37 CFR 1.8)

I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail in an envelope addressed to: Commissioner of Patents and Trademarks, P.O. Box 1450, Alexandria, VA 22313-1450, on 7/30/03, 2003.


Mark E. Ogram, reg. no. 30343

7/30/03
Date



UNITED STATES PATENT AND TRADEMARK OFFICE

Attachment 10

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/654,339	09/08/2000	Mark E. Ogram	1475B.5A.5	8051

7590
Mark E Ogram
7454 E. Broadway
suite 203
Tucson, AZ 85710

06/09/2005

EXAMINER

RUHL, DENNIS WILLIAM

ART UNIT	PAPER NUMBER
----------	--------------

3629

DATE MAILED: 06/09/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/654,339

Applicant(s)

OGRAM, MARK E.

Examiner

Dennis Ruhl

Art Unit

3629

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 04 August 2003.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-13 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-13 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

Art Unit: 3629

Applicant's response of 8/4/03 has been entered. Currently claims 1-13 are pending. The instant examiner has reviewed the prosecution history to date and notes the previous rejections of record and arguments presented by applicant.

1. The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

2. Claims 1-5 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention. The amendment of 5/23/03 added the limitation of "without human intervention" to claim 1. The specification as originally filed did not disclose that no human intervention occurs in the method. In fact the examiner finds it impossible for there to be no human intervention involved because the customer is using a computer to search for a product to purchase and the customer (a human) is the one that causes account data to be sent and processed by the financial computer. A human is required and the added limitation of "without human intervention" is deemed to be new matter.

3. Claims 1-5 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention.

Art Unit: 3629

The specification does not provide an adequate written description so that one of skill in the art could make and use the invention as claimed where the invention is practiced with no human intervention. The examiner feels this way because it is the customer who initiates the sending of data to affect the purchase of the product. One of skill in the art would have to undergo undue experimentation to figure out how to practice the invention with no human intervention.

4. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

5. Claims 1-13 are rejected under 35 U.S.C. 102(e) as being anticipated by Payne et al. (5715314).

For claims 1,6,11, Payne discloses a method of operating a computer on a network as claimed. The network is 10 and is disclosed as being the Internet. Payne discloses that financial computer 16 receives customer account data. See column 6, lines 31-42, where it is disclosed that the customer clicks on the continue button and the user is prompted for an account name and a password. Once the user does this, the data is sent to the financial computer and the financial computer automatically receives the data. The amount data is sent from the merchant computer as disclosed in column

Art Unit: 3629

5; lines 48-56. The merchant computer creates a payment URL that contains a payment amount. The payment URL is received by the financial computer as claimed. Authorization indicia is created by the financial computer. The authorization indicia is the "access URL" disclosed by Payne in step 80.

For claims 2-4,7-9,12,13, the claimed password is considered to be the "access URL authenticator" that is sent to the customer computer. The URL authenticator is considered as a password because it is used to verify or authenticate the transaction.

For claims 5,10, the step of receiving "acceptance indicia" is considered to be satisfied by the disclosure of the financial computer receiving data such as product identifier, or network address or other data. The term "acceptance indicia" is a broad term (really just means receipt of indicia) and in this claim is just claiming the act of receiving data, which is found in Payne.

6. Applicant's arguments with respect to claims 1-13 have been considered but are moot in view of the new ground(s) of rejection.

7. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within

Art Unit: 3629

TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

8. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Dennis Ruhl whose telephone number is 571-272-6808. The examiner can normally be reached on Monday through Friday.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Weiss can be reached on 571-272-6812. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



DENNIS RUHL
PRIMARY EXAMINER

Attachment 11

UNITED STATES PATENT AND TRADEMARK OFFICE

COMMISSIONER FOR PATENTS
UNITED STATES PATENT AND TRADEMARK OFFICE
WASHINGTON, D.C. 20231
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APPLICATION NUMBER	FILING DATE	GRP ART UNIT	FIL FEE REC'D	ATTY. DOCKET NO	DRAWINGS	TOT CLAIMS	IND CLAIMS
09/654,339	09/08/2000	2161	345	1475B.5A.5	8	14	3

Mark E Ogram
8040 S Kolb Road
Tucson, AZ 85706

FILING RECEIPT

OC000000005517244

Date Mailed: 10/30/2000

Receipt is acknowledged of this nonprovisional Patent Application. It will be considered in its order and you will be notified as to the results of the examination. Be sure to provide the U.S. APPLICATION NUMBER, FILING DATE, NAME OF APPLICANT, and TITLE OF INVENTION when inquiring about this application. Fees transmitted by check or draft are subject to collection. Please verify the accuracy of the data presented on this receipt. If an error is noted on this Filing Receipt, please write to the Office of Initial Patent Examination's Customer Service Center. Please provide a copy of this Filing Receipt with the changes noted thereon. If you received a "Notice to File Missing Parts" for this application, please submit any corrections to this Filing Receipt with your reply to the Notice. When the PTO processes the reply to the Notice, the PTO will generate another Filing Receipt incorporating the requested corrections (if appropriate).

Applicant(s)

Mark E. Ogram, Tucson, AZ ;

Continuing Data as Claimed by Applicant

THIS APPLICATION IS A CON OF 09/400,724 09/21/1999
WHICH IS A CON OF 09/166,749 10/05/1998 PAT 5,963,917
WHICH IS A CON OF 08/597,017 02/05/1996 PAT 5,822,737

Foreign Applications

If Required, Foreign Filing License Granted 10/30/2000

**** SMALL ENTITY ******Title**

Method of processing payment on a network of computers such as the internet

Preliminary Class

705

Data entry by : YEMANE, SHEWAYE

Team : OIPE

Date: 10/30/2000



A METHOD OF PROCESSING PAYMENT ON A
NETWORK OF COMPUTERS SUCH AS THE INTERNET

MoneyIN
Docket No. 1475B.5A.5

"SPEC475B.5A5"

September 3, 2000

A METHOD OF PROCESSING PAYMENT ON A
NETWORK OF COMPUTERS SUCH AS THE INTERNET

1 Background of the Invention:

2 This is a continuation of United States Patent application serial number
3 09/400,724, filed on September 21, 1999, and entitled "Financial System of
4 Computers", which was a continuation of United States Patent application
5 serial number 09/166,749 filed on October 5, 1998, and entitled "Financial
6 System of Computers", which was a continuation of United States Patent
7 application serial number 08/597,017, entitled "An Improved Financial
8 Transactions System" filed February 5, 1996, now United States Patent number
9 5,822,737, issued on October 13, 1998.

10 This invention relates generally to financial transactions and more
11 particularly to transactions involving credit or debit cards.

12 The time is fast approaching where a significant amount of commerce will
13 be conducted using distributed networks of computers such as the Internet.
14 The reason this ground-swell of commerce will occur is the ability of a single
15 merchant to economically reach a vast number of potential customers at
16 substantially no costs. Further, the customers are able to review a great
17 number of vendors and their products with the ease of a few key strokes and
18 clicks of the mouse.

19 Although there are vast numbers of merchants already using such

1 networks, the sales volume has been particularly low due to a variety of
2 reasons. One reason which has depressed commerce on the networks, is the
3 difficulty with which customers can pay for their purchases.

4 A variety of techniques have been developed to cure this problem ranging
5 from accepting phone orders to the establishment of another currency called
6 "E-Cash".

7 Phone orders in response to merchant promotional materials creates a
8 variety of problems. One major problem is the requirements for phone lines
9 and personnel to receive and process the phone orders. Another hurdle is the
10 simple fact that most customers have a single phone line to their residence
11 and this line is used by the computer for accessing the network; the customer
12 has to disconnect from the network to make the phone order.

13 Although E-Cash is a viable alternative, it is faced with some enormous
14 problems which will be difficult or impossible to address. These include:
15 counterfeiting problems; government reluctance to accept the concept;
16 difficulties in getting access for handling E-Cash; and, the low number of
17 users and merchants which can use E-Cash.

18 It is clear from the foregoing that there is a need for an efficient
19 methodology and system to accept payment over distributed computer networks.
20

1 Summary of the Invention:

2 The present invention contemplates a totally automated system for
3 securing payment via a distributed network of computers. In this context, the
4 invention creates an automated payment system particularly suited for
5 purchases over a network such as the Internet.

6 Although the present invention is described relative to the Internet,
7 its application is not so limited and is intended to be used on any
8 distributed computer system in which merchants and consumers interact for the
9 purpose of supplying and purchasing goods or services.

10 In such a distributed computer network, a merchant or vending computer
11 contains certain promotional information which is communicated to a customer's
12 computer. This information is intended to give the customer sufficient
13 information to make a decision on if the goods/services are acceptable.

14 As used within this discussion, the term "merchant computer" signifies a
15 computer system which is used for the purpose of selling goods or services.
16 The vendor itself does not necessarily own the computer; in some situations,
17 the computer is operated on behalf of the merchant or vendor.

18 Based upon the promotional information, the consumer/operator of the
19 customer's computer decides to purchase the services or goods described by the
20 promotional information.

21 It is at this point where the present invention is particularly powerful
22 as it provides a simple, easy, methodology and linkage for the customer to pay
23 for the goods/services.

24 In this context, the customer's computer is linked to a payment
25 processing computer and the customer's credit card number and the amount of

1 the goods or services is transmitted to the payment processing computer. For
2 security reasons, an encrypting software package is first downloaded to the
3 customer's computer so that the credit card number is secure from "hackers"
4 who might also be on the network.

5 Although the term "credit card" is used, the invention covers the use of
6 any type of financial guarantee card such as automatic debit accounts,
7 checking account numbers, savings account numbers, and other such devices
8 obvious to those of ordinary skill in the art.

9 The payment processing computer automatically contacts a bank for
10 verification of the credit card and amount; the bank transmits an
11 authorization to the payment processing computer. This authorization,
12 usually in the form of a number, is stored within the payment processing
13 computer's memory for later reference.

14 The link or connection with the bank is terminated by the payment
15 processing computer and the payment processing computer turns its attention to
16 the customer's computer. The payment processing computer communicates a self-
17 generated transaction indicia, and in some embodiments a password, to the
18 customer's computer.

19 The transaction indicia is generated by the payment processing computer
20 for proper record keeping. The transaction indicia is also used by the
21 customer to verify that an order has been generated and accepted.

22 The password is defined by the merchant's computer for the payment
23 processing computer to pass along to the customer's computer. The password is
24 used by the customer's computer to gain access to restricted material within
25 the merchant's computer.

1 As example, assume the merchant's computer is supplying information as
2 to genealogy. As an initial process, the customer enters the name being
3 researched and receives a preliminary report on the genealogy (the promotional
4 material). To proceed though, and get the actual data, the customer must pay
5 to access this further information.

6 To do so, the customer links with the payment processing computer, and
7 in the manner outlined above, receives back the transaction indicia and the
8 password. The payment processing computer links the customer computer back to
9 the merchant computer; the customer provides the password to the merchant's
10 computer and is given access to the full genealogy report.

11 As outlined in this example, in the embodiment where a password is used,
12 the customer's computer uses the password with the merchant's computer in
13 obtaining access to protected information or to establish shipping
14 instructions.

15 The re-linking of the customer computer to the merchant computer is
16 accomplished in a variety of ways. In the preferred embodiment, the payment
17 processing computer obtains the merchant's address or Unique Recognition
18 Location (URL) from the customer computer when the customer connects with the
19 payment processing computer. This URL is used in a variety of ways, to
20 identify the merchant, to establish the amount of the product/service, and to
21 establish the return URL when the payment processing computer is done with its
22 task for the customer computer.

23 By selective use of the URL on the merchant's part, the URL transmits a
24 tremendous amount of information to the payment processing computer. As
25 example, assume the URL for the home-page of the merchant is:

1 http://merchant.com/widget.

2 When the merchant is selling a single product (a widget), this URL is
3 easy to match to the product. When the merchant wants to sell a variety of
4 widgets, then for a blue widget, the URL might be:

5 http://merchant.com/widget/blue.

6 In some embodiments, the customer's computer is not linked back to the
7 originating URL of the Merchant computer but rather to another URL. The
8 return URL is stored in the payment processing computer and is used when the
9 Merchant wants the customer/consumer to be passed back to a different location
10 (i.e. where the restricted access information is accessible, or to inform the
11 consumer that their card has been rejected).

12 The invention, together with various embodiments thereof, will be more
13 fully explained by the accompanying drawings and the following descriptions.

14

1 Drawings in Brief:

2 Figures 1A and 1B are block diagrams of the two computer configurations
3 used in the preferred embodiment.

4 Figure 1C is a graphical representation of the preferred memory
5 organization for the computer illustrated in figure 1A.

6 Figures 2A, 2B, 2C, 2D, and 2E graphically illustrate the connections
7 and disconnections of the preferred order.

8 Figures 3A, 3B, 3C, and 3D are frontal views of one embodiment of a
9 consumer's display screen.

10 Figure 4A is a flow-chart of the preferred embodiment's payment
11 processing operation.

12 Figure 4B is a flow-chart of an alternative embodiment's payment
13 processing operation.

14 Figure 5 is a flow-chart of the operation of the merchant's computer.
15
16
17

1 Drawings in Detail:

2 Figures 1A and 1B are block diagrams of the two computer configurations
3 used in the preferred embodiment.

4 Figure 1A illustrates the configuration of the preferred payment
5 processing computer. As shown, computer 10A is a simple layout of a Central-
6 Processing-Unit (CPU) 11A which uses both non-volatile memory 12A and Random-
7 Access-Memory (RAM) 13A.

8 Communication to and from CPU 11A is via modem 14A which communicates
9 with other computers via the network connected by phone line 15A.

10 Computer 10B, illustrated in figure 1B, shows the preferred computer
11 configuration used for the merchant computer and the customer computer.
12 Again, CPU 11B is connected to memories RAM 13B and non-volatile memory 12B.
13 In the case of the merchant computer, the promotional material is stored on
14 non-volatile memory 12B and is retrieved and communicated by CPU 11B using
15 modem 14B and phone line 15B.

16 This system is able to communicate with an operator via monitor 16 for
17 visual information. Monitor 16 is used for the perusal of the promotional
18 material by the customer.

19 Keyboard 17 is used to communicate operator commands to CPU 11B. In
20 like fashion, mouse input device 18 is also used for operator input to CPU
21 11B.

22 Optional printer 19 is used to create a hard copy of the material being
23 displayed to the operator/customer via monitor 16.

24 The differences between the computers shown in figure 1A and 1B are
25 pronounce since the payment processing computer of figure 1A does not require

1 customer computer 21 links with the payment processing computer 23. In the
2 change from merchant computer 22 to payment processing computer 23, an indicia
3 of the URL or the product being promoted by merchant computer 22 is
4 communicated to the payment processing computer 23.

5 The indicia as a URL of the last site is available through normal
6 network operations and its handling is obvious to those of ordinary skill in
7 the art. The product number is easily combined with the URL; thereby making
8 the product number also available to the payment processing computer 23.

~~the indicia URL is cross checked to a memory~~

1 input or direction from a human operator. Rather, in the preferred
2 embodiment, the payment processing computer runs totally automatically and
3 collects all of the data and information it requires for its operation
4 automatically from the computers with which it is linked and with what is
5 stored in its memory.

6 Figure 1C is a graphical representation of the preferred memory
7 organization for the computer illustrated in figure 1A.

8 Memory 9, located preferably in non-volatile memory 12A, has three
9 sections. The first section 8A is the product listing reference which is
10 composed of multiple groupings. This data remains relative constant and is
11 defined by the merchant. Each grouping, such as 7A, includes data
12 identifying:

13 Part Number

14 Merchant Identification

15 Cost of Product/Service

16 Description of the Product/Service

1 computer 24 which responds to the payment processing computer 23 with an
2 authorization indicia. This authorization indicia gives the acceptance or
3 denial of the charge.

4 If a product is to be shipped, and if the charge has been authorized, as
5 shown in figure 2D, the payment processing computer 23 connects with the
6 merchant computer 22 and directs the merchant to ship the product to the
7 consumer.

8 As shown in figure 2E, since the payment processing computer 23 has
9 identified the product number, it is able to retrieve from its memory the URL
10 for reconnecting the customer computer 21 with the merchant computer 22. In
11 this manner, the entire operation is totally transparent to the consumer since
12 they feel they have been continuously working with the merchant computer 22.

13 Further, using the URL's from its memory, the payment processing
14 computer 23 is able to link the customer computer 21 to the merchant computer
15 22 at an address which is different from where the consumer was originally
16 connected. In this manner, the payment processing computer 23 is able to
17 direct the consumer to different locations which are consistent with the
18 authorization indicia (accept/reject) on their credit card.

19 As example, assume, the credit card was authorized, then the consumer
20 could be reconnected to an area which has restricted access so that the
21 consumer can gain the information paid for; if on the other hand, the credit
22 card was rejected, the connection would be to a page indicating such and
23 possibly asking for another card number.

24 In this manner, the payment processing computer 23 is able to control
25 the operation and interface between the customer computer 21 and the merchant

1 computer 22.

2 Periodically, the payment processing computer 23 connects via the phone
3 lines 25 with the credit card server 24 and instructs it to transfer the
4 appropriate amount of funds to the merchant's bank computer 26 so that the
5 merchant has access to the funds paid for his product/service provided to the
6 consumer.

7 Figures 3A, 3B, 3C, and 3D are frontal views of one embodiment of a
8 consumer's display screen.

9 Screen 30A is designed to provide the promotional information so that
10 the consumer is attracted to purchase the product. In screen 30A is the name
11 of the merchant company (XYZ CO.) 31, the name of the product (widget) 32, the
12 price (\$14.95) 33, and the part number (#10234) 34.

13 Also located on screen 30A is a software key 35 which allows the
14 consumer to pay for the product. In this embodiment, by activating this
15 software key 35 (typically through a click of the mouse), screen 30A is
16 changed to screen 30B which is identical except that the software key 35 has
17 been replaced with an order window 36.

18 Order window 36 allows the consumer to complete the necessary
19 information to order the product. This includes the part number 37A, the
20 amount 37B, and the credit card number 37C. When the consumer is ready, the
21 software key "Send" 37D or the software key "Cancel" 37E is activated. In the
22 case of a cancel, the screen returns to screen 30A.

23 In a "send" 37D, mode, the payment processing computer contacts the
24 bank computer and determines if the credit card is valid and if the amount is
25 available. If the charge is authorized, the screen changes to 30C in which

1 the order window 36 has been replaced with authorization window 38 which shows
2 that the charge has been accepted 39A, the transaction no. (A1483) 39B, and
3 the password ("GO") 39C which the consumer is to use with the merchant.

4 When this information has either been printed or committed to memory,
5 the consumer activates software key 39D to "Proceed" to screen 30D. At this
6 point, the consumer is able to enter the password 29 so that the restricted
7 access is lifted. In the genealogy example, it is at this point the consumer
8 gains access to the full report.

9 Figure 4A is a flow-chart of the preferred embodiment's payment
10 processing operation.

11 After start 40A, a connection is made with the customer computer 41A and
12 the encryption software is downloaded to the customer computer 41B.
13 Encryption software is preferably used for transmittal of the credit card
14 number so that the integrity of the card is not jeopardized.

15 The consumer computer then communicates, and the payment processing
16 computer accepts, the account number, the amount, and the identification of
17 the product or service, 42A. A connection is made with the credit card server
18 41C and the account number and amount is transmitted 41D to the credit card
19 server over the established phone lines. In response to this query, the
20 authorization data is received 42B and the connection with the credit card
21 server 41E is broken.

22 A transaction indicia is generated 41F. This transaction indicia is not
23 the authorization data but serves as an internal monitoring system for the
24 payment processing computer so that the accounting is kept accurate.

25 From the memory, the password is withdrawn 41G for the product so

1 ordered; and, the password and transaction indicia is transmitted to the
2 customer computer 41H.

3 At this point, the connection with the customer computer is terminated
4 41I and the program stops 40B.

5 Figure 4B is a flow-chart of an alternative embodiment's payment
6 processing operation.

7 After start 43A, the program connects with the customer computer 44A and
8 at the same time obtains the merchant URL 45A. Using the merchant URL, the
9 payment processing computer searches its memory and identifies the merchant
10 number, the part number, and the purchase amount 44B.

11 The encryption software is downloaded into the customer computer 44C and
12 the credit card account number is received 45. A connection is then made with
13 the credit card server computer 44D and the account number and the amount is
14 transmitted 44E. This inquiry results in an authorization code 45C being
15 received and the connection with the credit card server being broken 44F.

16 A check is then made to see if the credit card purchase was authorized
17 46A.

18 If the credit card purchase was denied, the URL to use for a rejection
19 is withdrawn from memory 44G and the Customer computer is connected to the
20 merchant computer at this URL 44H leaving the payment processing computer able
21 to disconnect 44I and stop 43B.

22 Should the credit card purchase be accepted, 46A, then the program
23 generates a transaction identification 44J. This transaction identification
24 is stored along with the date, amount of purchase, and the merchant number
25 44K.

1 The password is retrieved from memory 44L and it, together with the
2 transaction identification, is transmitted to the customer computer 44M.

3 From memory, the authorized URL is withdrawn 44N.

4 A determination, based upon stored data, is made as to the character of
5 the product (service or goods) 46B. If the product relates to goods which are
6 to be shipped, a shipping order including the transaction identification, the
7 amount, the date, and address of the customer, is communicated to the merchant
8 44O to satisfy the order. If the product is a "service", the program skips to
9 step 44P.

10 The customer computer is then connected to the authorized URL 44P and
11 the connection with the customer computer is terminated 44Q allowing the
12 program to stop 43C.

13 Figure 5 is a flow-chart of the operation of the merchant's computer.

14 After start 50A, the merchant computer connects with the customer
15 computer 51A and communicates the promotional material 52A. The password is
16 received from the customer 52B and is checked to see if it is the correct
17 password 53A.

18 If the password is incorrect, a determination is made on if it is the
19 customer's first try 53B; if it is, then the customer is given another chance
20 to enter the correct password 52B. If the customer has tried twice to enter
21 the correct password, the connection with the customer is terminated 51C and
22 the program stops 50C.

23 If the password is correct, 53A, then the secure or restricted access
24 data is communicated to the customer's computer 51D and the connection with
25 the customer's computer is terminated 51B. The program then stops 50B.

1 In this manner, secure information is selectively transmitted to a
2 customer's computer upon the presentation of a password.

3 It is clear from the foregoing that the present invention creates a
4 highly improved system for acceptance and processing of payments over a
5 distributed computer network.

What is claimed is:

1 1. A method of operating a computer on a network comprising
2 the steps of:

3 a) receiving customer account data and amount data from a
4 remote computer via said network;

1 b) based upon said account data and said amount data,
2 establishing an authorization indicia; and,

3 c) communicating said authorization indicia to said remote
4 computer via said network.

1 2. The method according to claim 1, further including the
2 step of communicating a password to said remote computer.

1 3. The method according to claim 2, wherein the step of
2 communicating a password includes the step of sending the
3 password via said network.

1 4. The method according to claim 1, wherein the step of
2 establishing an authorization indicia includes the step of
3 communicating said account data and amount data via a phone
4 network.

1 5. The method according to claim 4, wherein the step of
2 establishing an authorization indicia includes the step of
3 receiving an acceptance indicia via said phone network.

1 6. A method of processing a payment order over a network
2 comprising the steps of:

3 a) receiving customer account data and amount data via said
4 network;

1 b) based upon said account data and said amount data,
2 establishing an authorization indicia; and,

3 c) communicating said authorization indicia to a remote
4 computer via said network for the satisfaction of said payment
5 order.

1 7. The method according to claim 6, further including the
2 step of communicating a password to a second remote computer.

1 8. The method according to claim 7, wherein the step of
2 communicating a password includes the step of sending the
3 password via said network.

1 9. The method according to claim 6, wherein the step of
2 establishing an authorization indicia includes the step of
3 communicating said account data and amount data via a phone
4 network.

1 10. The method according to claim 9, wherein the step of
2 establishing an authorization indicia includes the step of
3 receiving an acceptance indicia via said phone network.

1 11. An Internet payment processing method comprising the
2 steps of:

3 a) receiving customer account data and amount data from a
4 remote computer via said Internet;

1 b) based upon said account data and said amount data,
2 establishing an authorization indicia indicative of payment
3 compliance; and,

4 c) communicating said authorization indicia to said remote
5 computer via said Internet.

1 12. The method according to claim 11, further including the
2 step of communicating a password to a second remote computer.

1 13. The method according to claim 12, wherein the step of
2 communicating a password includes the step of sending the
3 password via said Internet.

1 14. The method according to claim 11, wherein the step of
2 establishing an authorization indicia includes the steps of:

3 a) communicating said account data and amount data via a
4 phone network; and,

5 b) receiving an acceptance indicia via said phone network.

1 Abstract:

2 A method of operating a computer on a network of computers
3 for the purpose of collecting payments due a remote computer on
4 the network (such as the Internet). The method for payment
5 processing includes the steps of: receiving the customer's
6 account data and amount data; establishing an authorization
7 indicia; and, communicating said authorization indicia to a
8 remote computer (such as the merchant's computer) on the network.

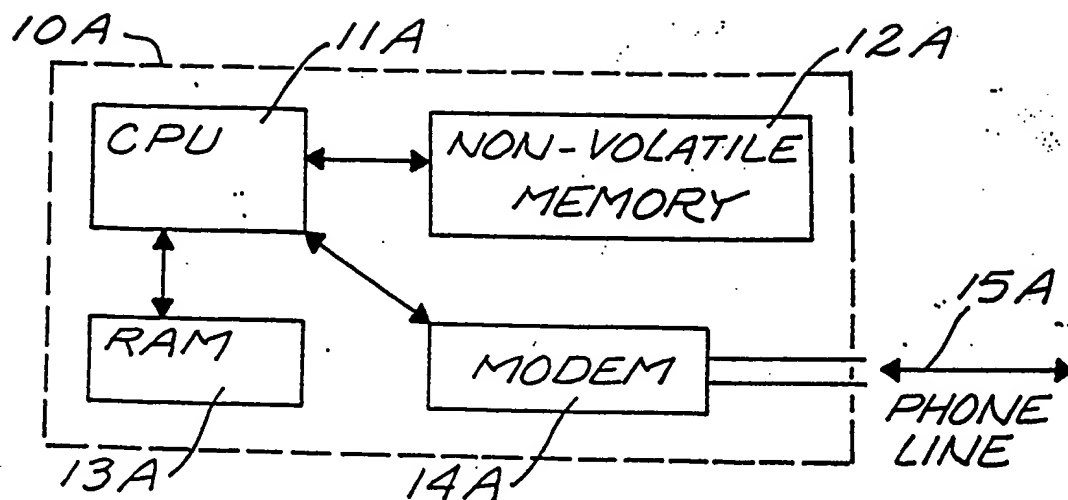


FIG. 1A

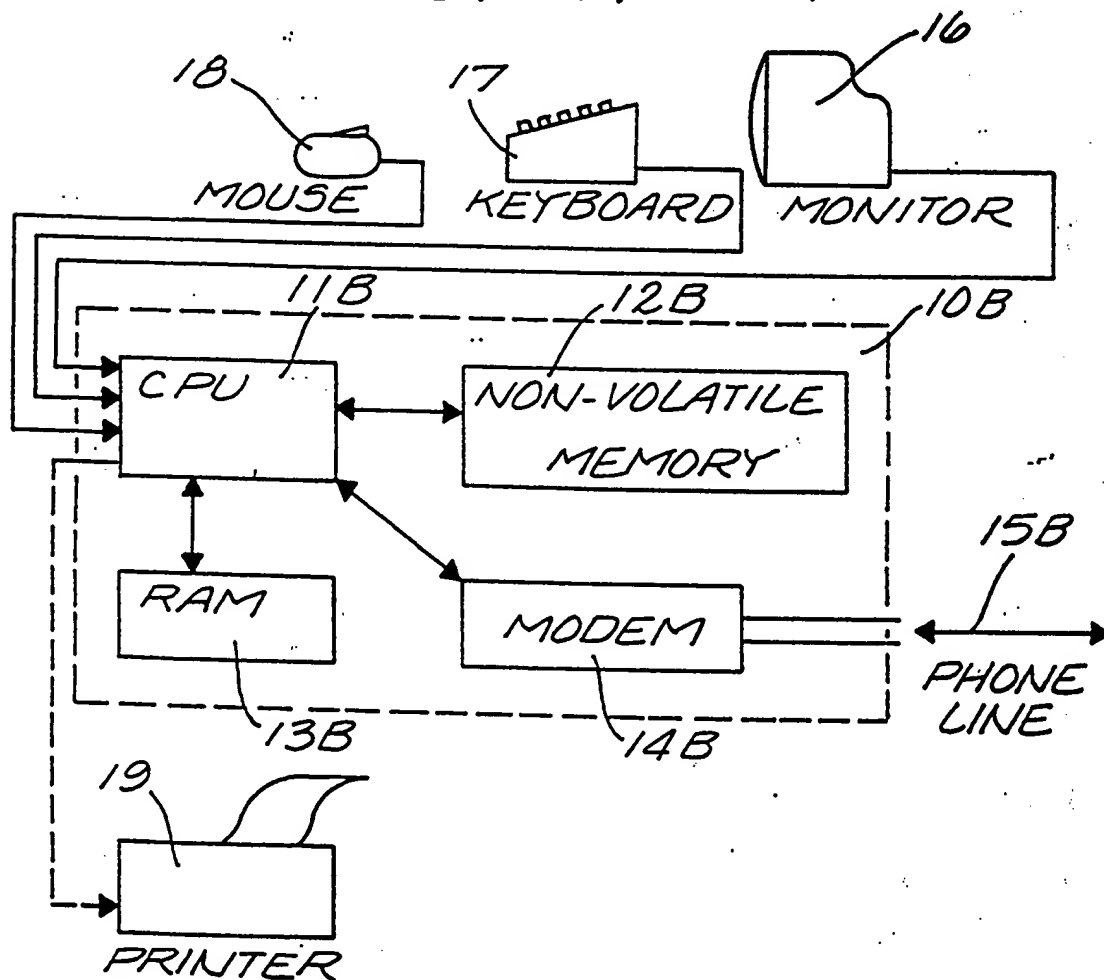


FIG. 1B

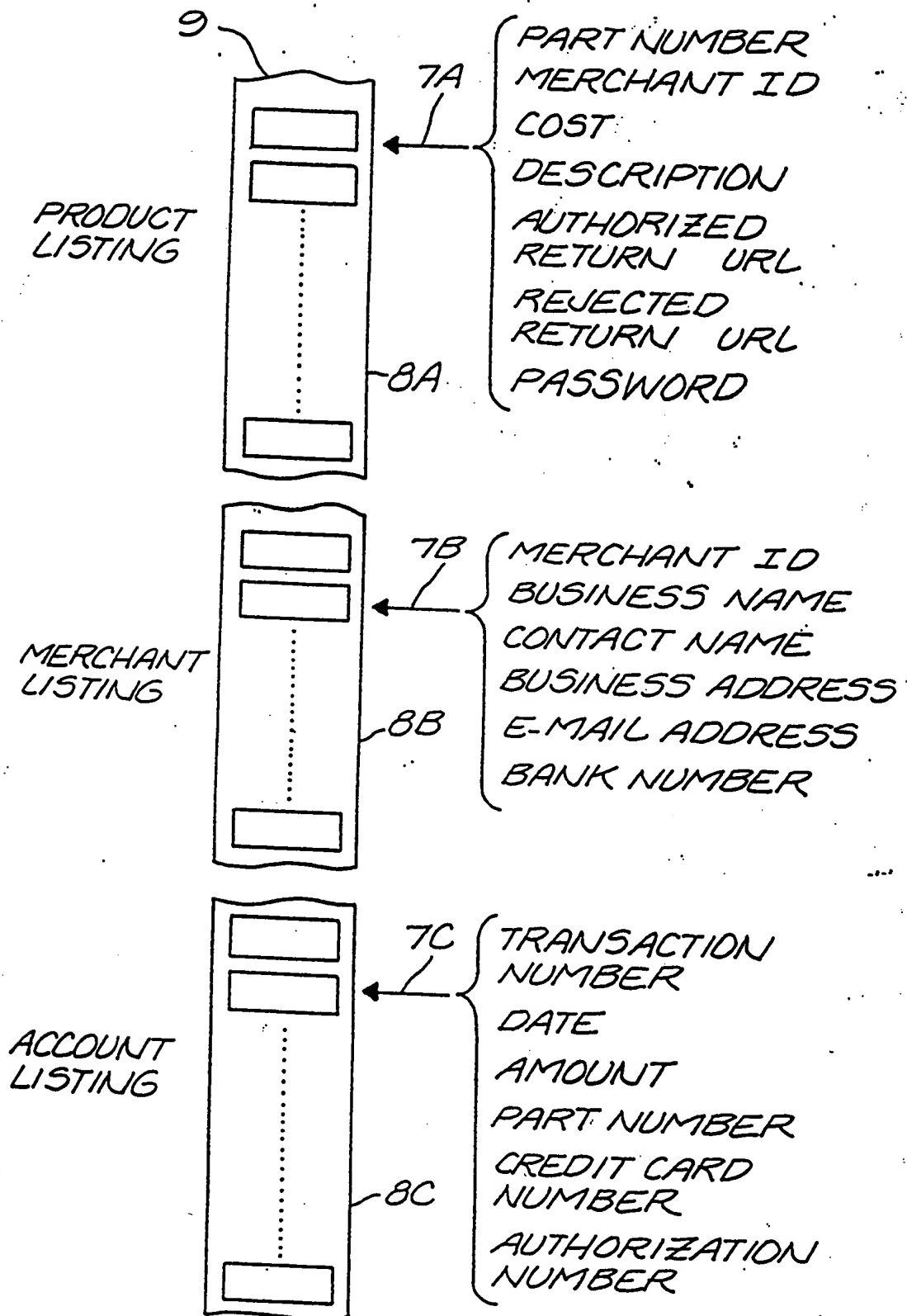


FIG. 1C

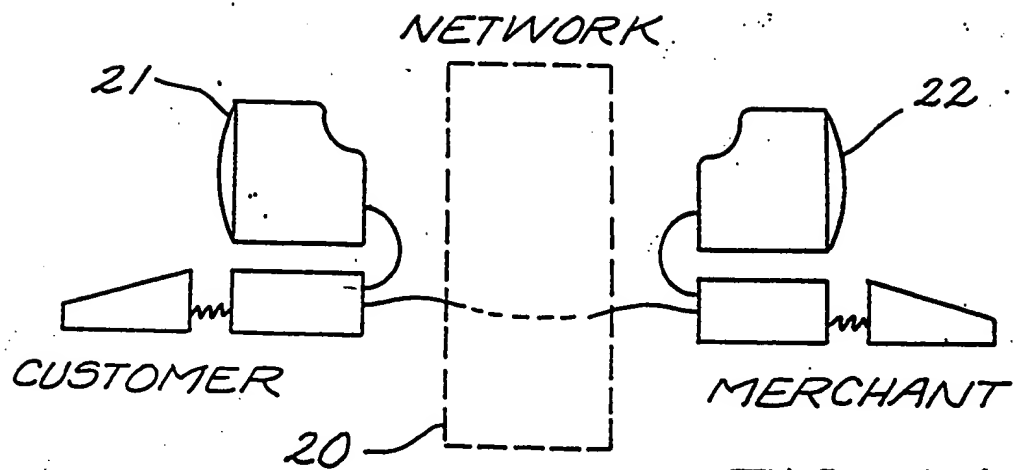


FIG. 2A

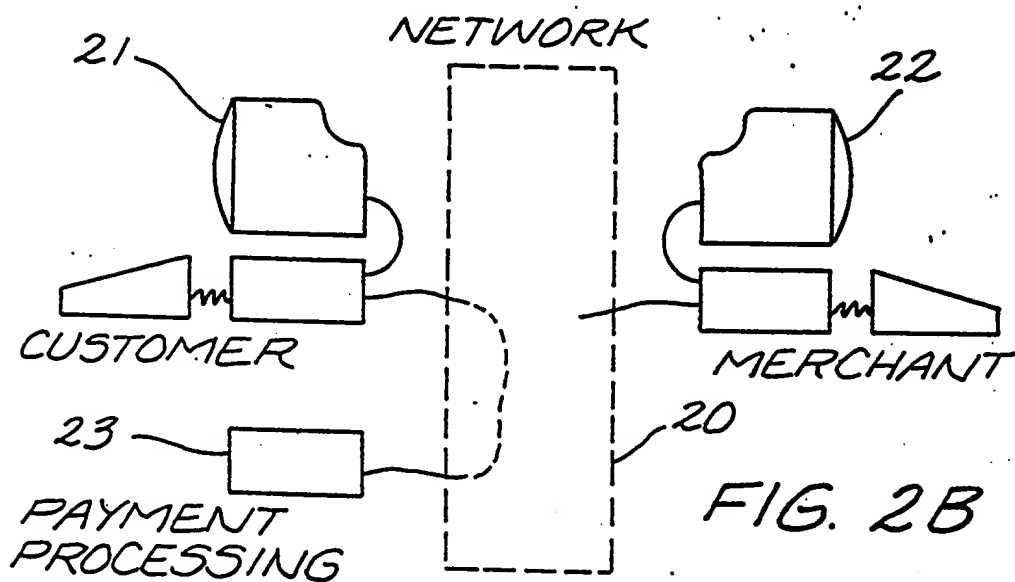


FIG. 2B

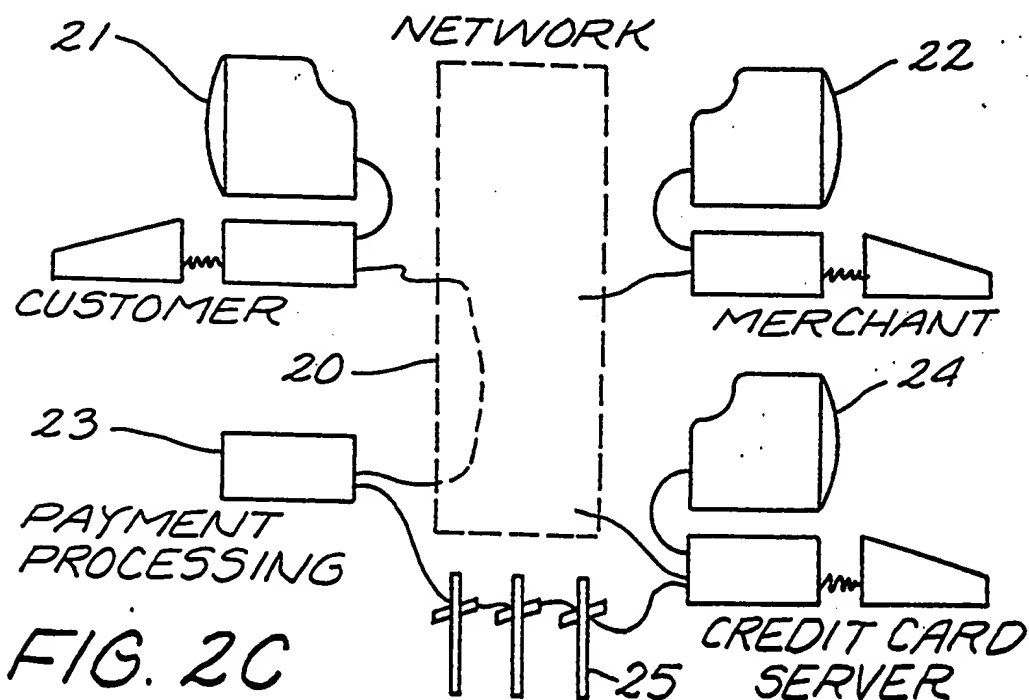
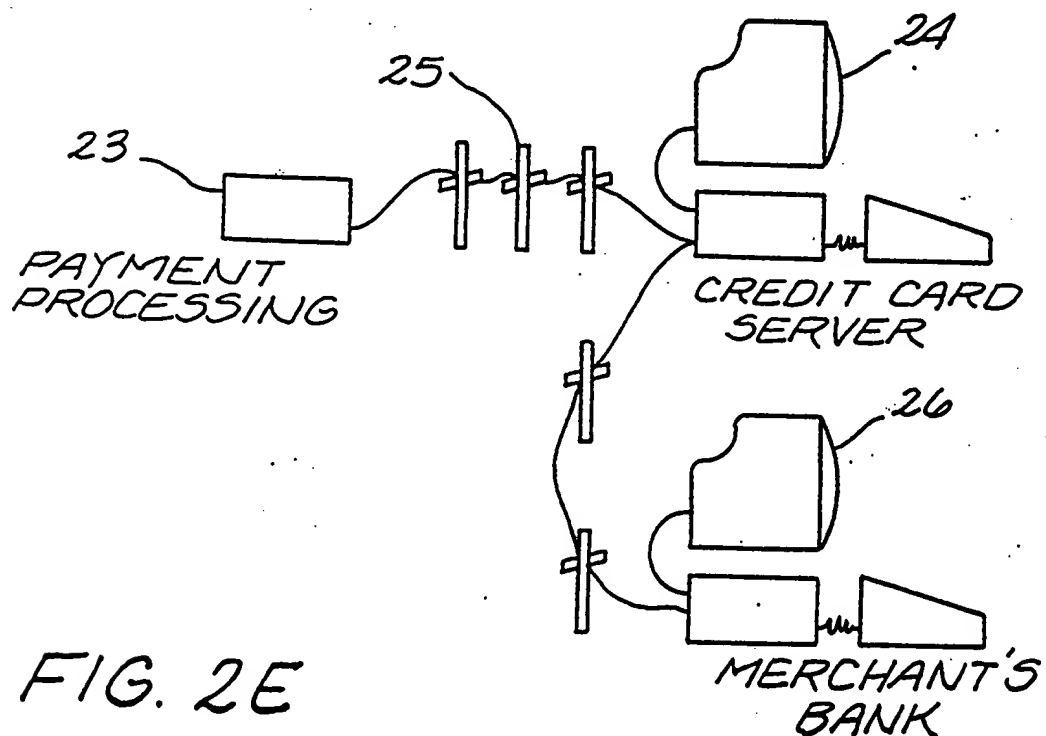
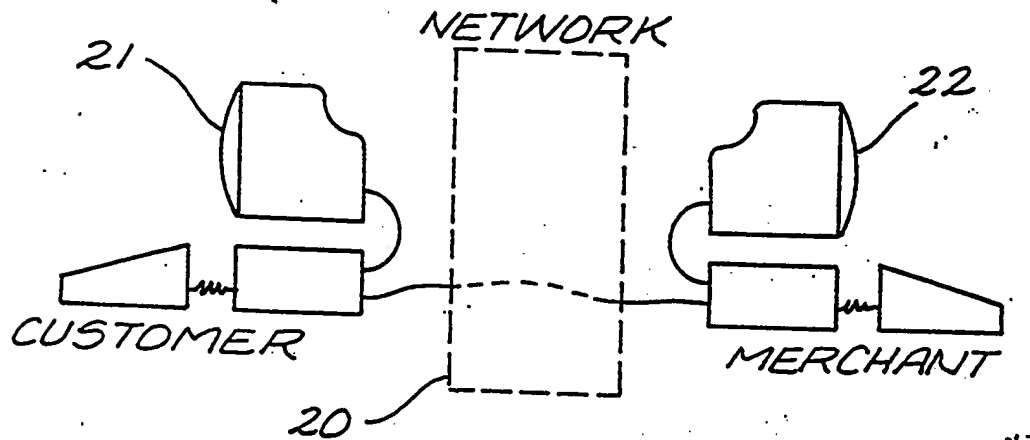
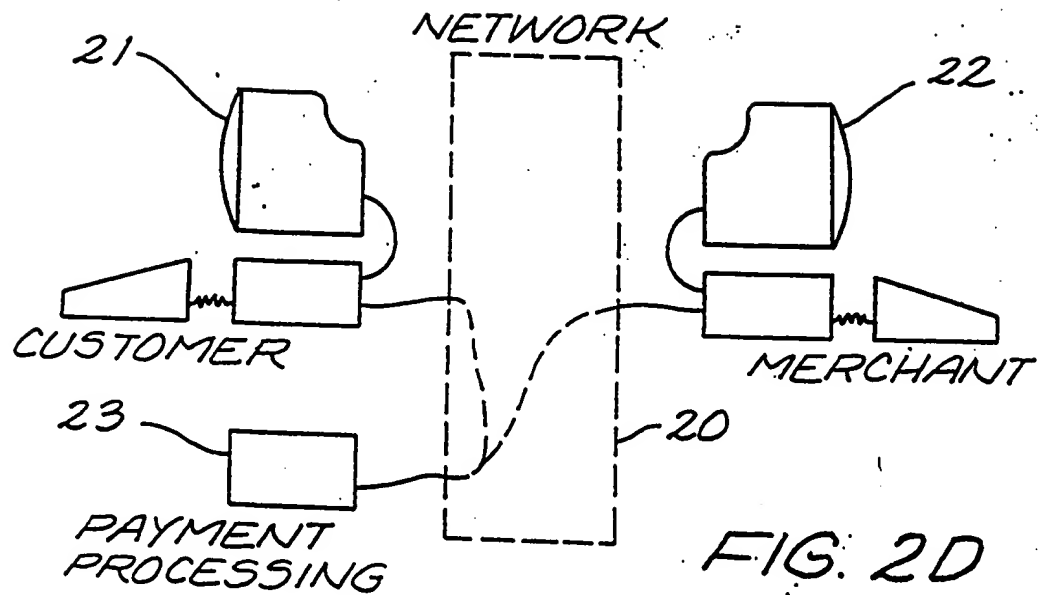


FIG. 2C



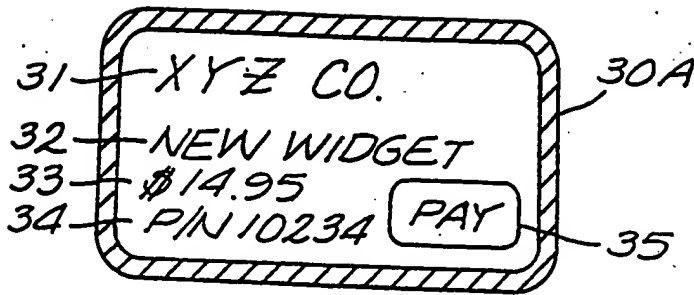


FIG. 3A

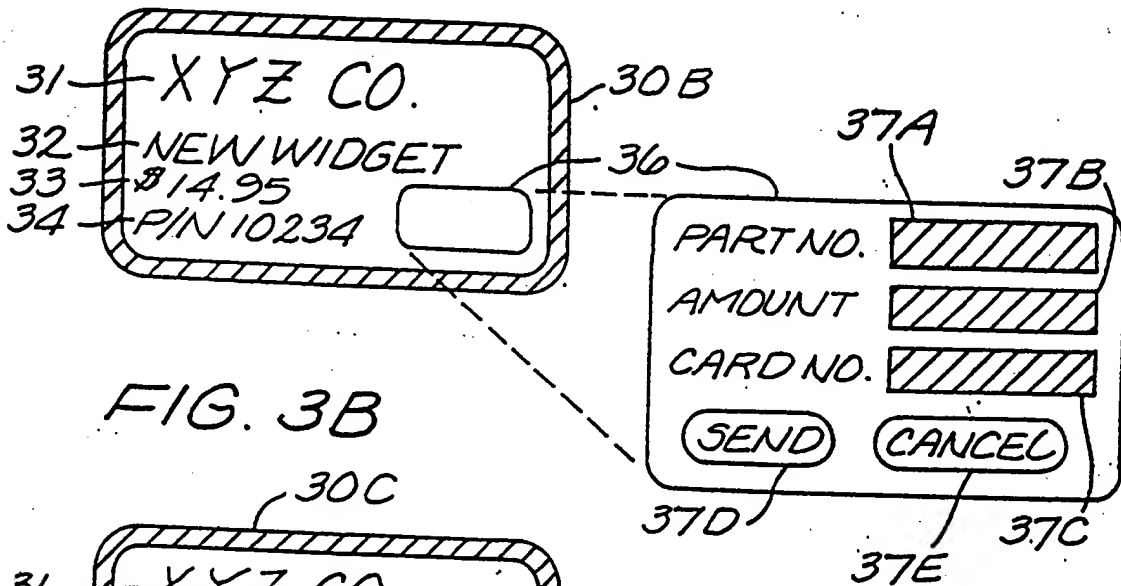


FIG. 3B

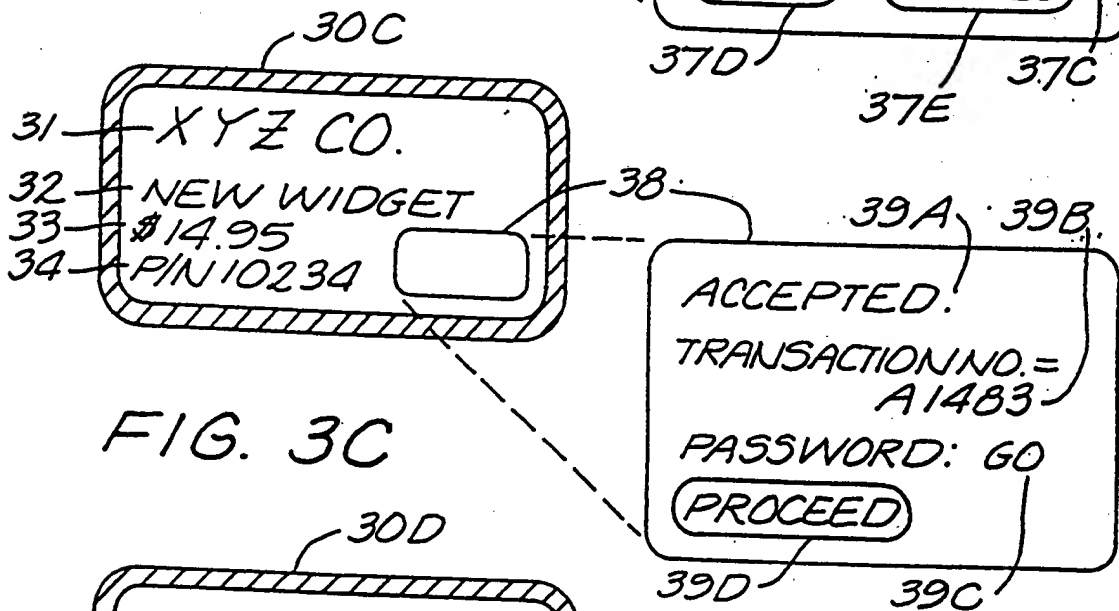


FIG. 3C

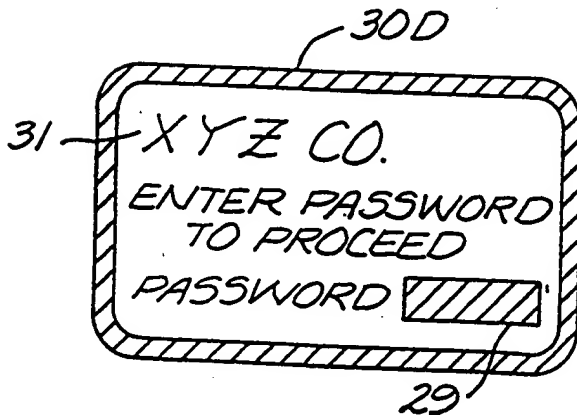


FIG. 3D

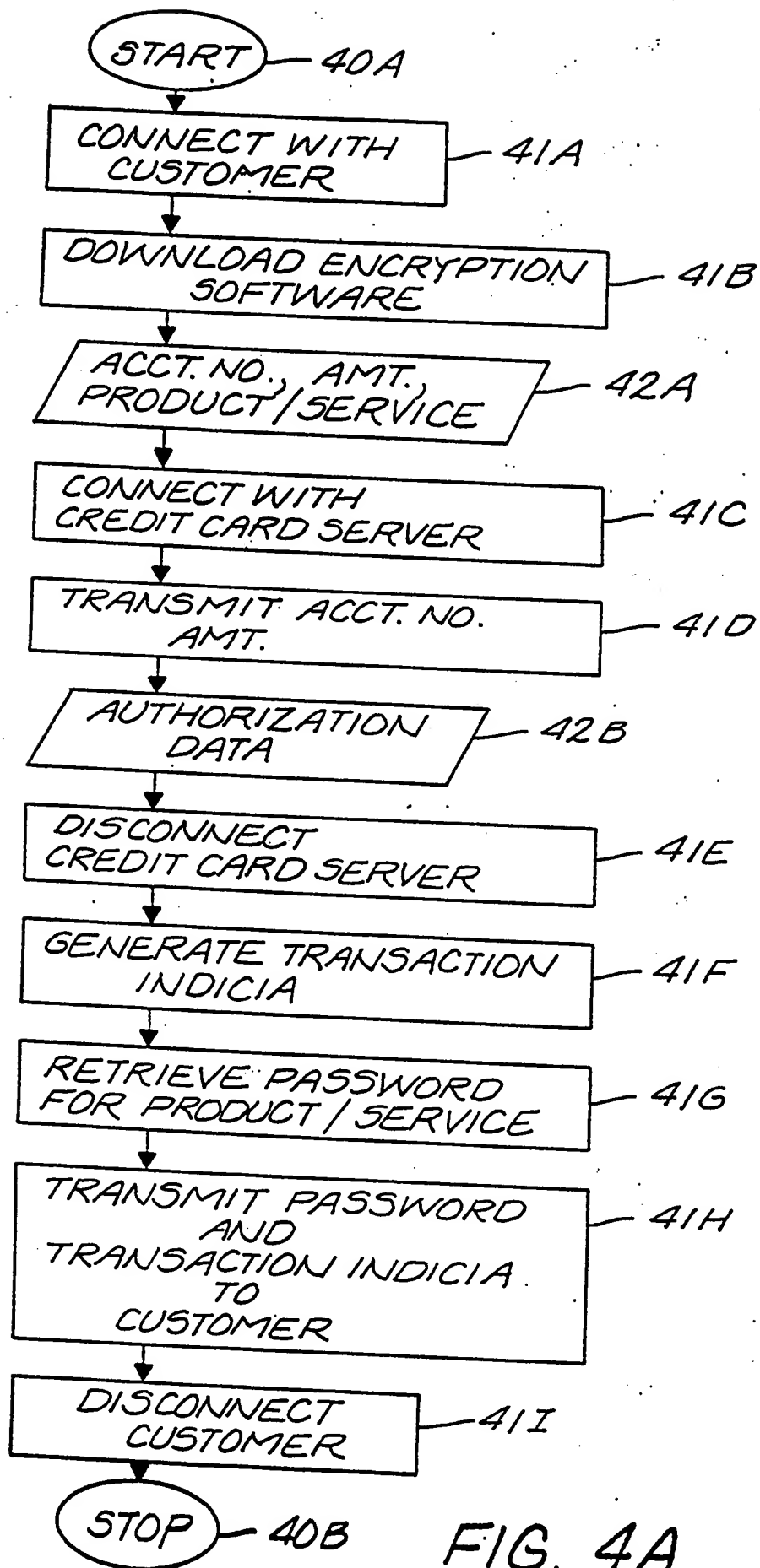


FIG. 4A

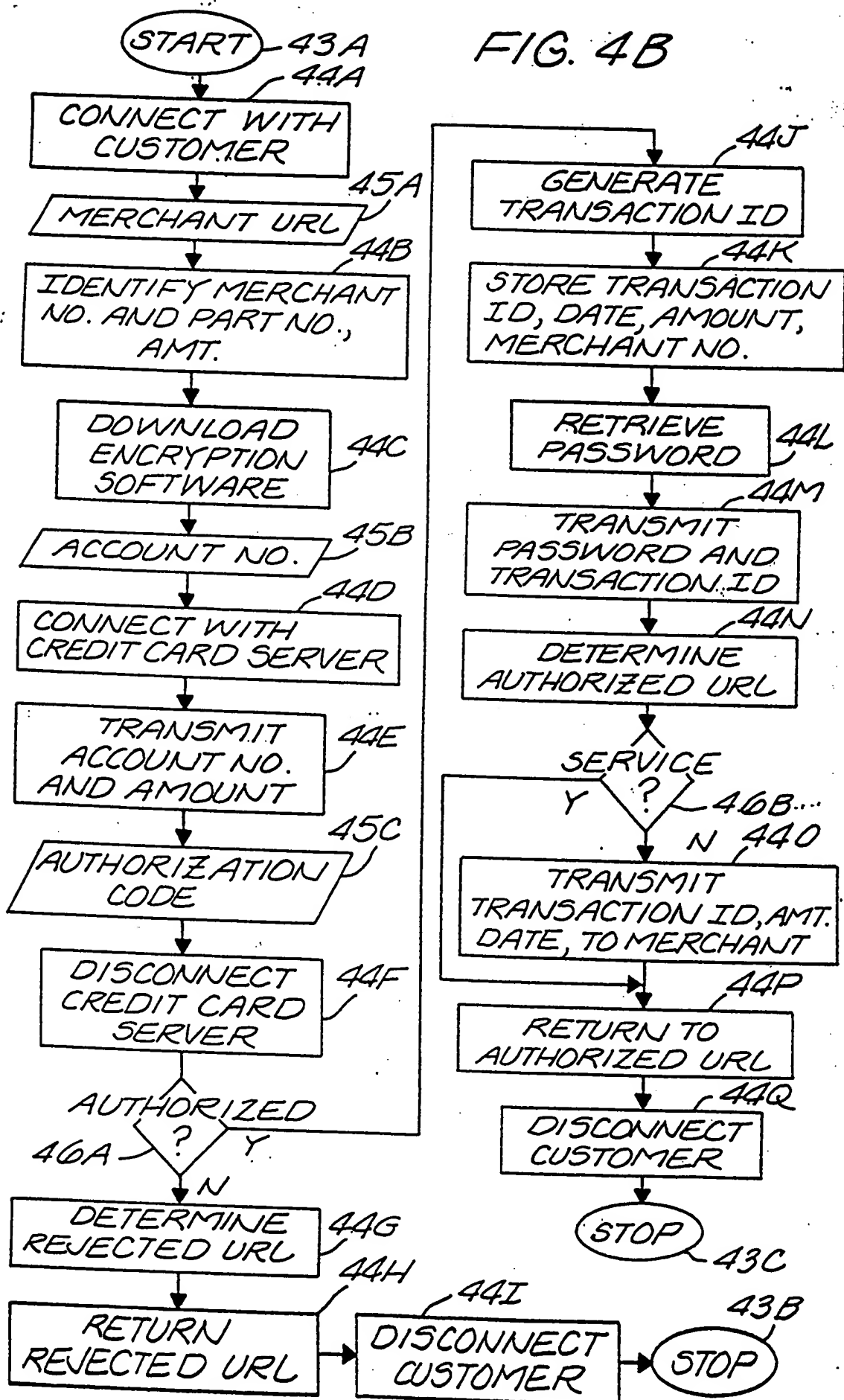
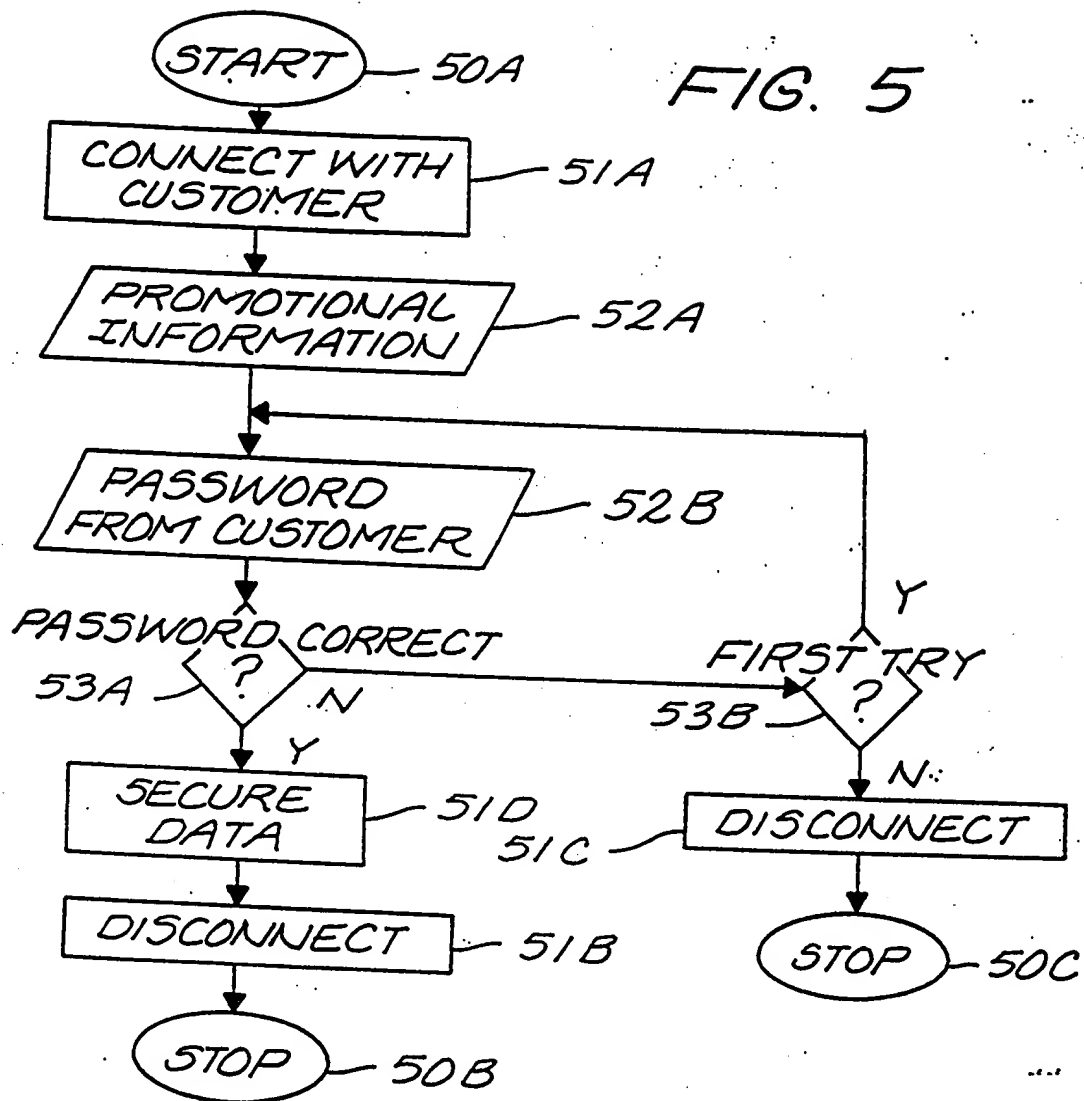


FIG. 5



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